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August 14, 2025

Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 (Under Japanese GAAP)

Company name: Bleach, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 9162
 URL: <http://bleach.co.jp> (in Japanese)
 Representative: Keisuke Odaira, President and CEO
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 Scheduled date of annual general meeting of shareholders: September 26, 2025
 Scheduled date to commence dividend payments: —
 Scheduled date to file annual securities report: September 25, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------|-----------------|---|------------------|---|-----------------|---|---|---|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| June 30, 2025 | 17,160 | — | 436 | — | 433 | — | 303 | — |
| June 30, 2024 | — | — | — | — | — | — | — | — |

Note: Comprehensive income For the fiscal year ended June 30, 2025: ¥292 million [—%]
 For the fiscal year ended June 30, 2024: ¥(554) million [—%]

| | Basic earnings per share | Diluted earnings per share | Return on equity | Ratio of ordinary profit to total assets | Ratio of operating profit to net sales |
|-------------------|--------------------------|----------------------------|------------------|--|--|
| Fiscal year ended | Yen | Yen | % | % | % |
| June 30, 2025 | 11.90 | 11.32 | 3.2 | 3.3 | 2.5 |
| June 30, 2024 | — | — | — | — | — |

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended June 30, 2025: ¥ — million

For the fiscal year ended June 30, 2024: ¥ — million

Notes: Bleach, Inc. (the “Company”) has been preparing consolidated financial statements from the third quarter of the fiscal year ended June 30, 2025. Therefore, the figures and the year-on-year percentage changes for the fiscal year ended June 30, 2024 and the year-on-year percentage changes for the fiscal year ended June 30, 2025 are not provided.

In addition, return on equity and ratio of ordinary profit to total assets for the fiscal year ended June 2025 are calculated based on the equity at the end of the fiscal year and total assets at the end of the fiscal year, respectively, as this is the first consolidated fiscal year.

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|---------------|-----------------|-----------------|-----------------------|----------------------|
| As of | Millions of yen | Millions of yen | % | Yen |
| June 30, 2025 | 13,234 | 9,534 | 72.0 | 371.50 |
| June 30, 2024 | — | — | — | — |

Reference: Equity

As of June 30, 2025: ¥9,534 million

As of June 30, 2024: ¥— million

Note: The Company has been preparing consolidated financial statements from the third quarter of the fiscal year ended June 30, 2025. Therefore, the figures for the fiscal year ended June 30, 2024 are not provided.

(3) Consolidated cash flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| Fiscal year ended | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| June 30, 2025 | 365 | (399) | (710) | 8,883 |
| June 30, 2024 | — | — | — | — |

Note: The Company has been preparing consolidated financial statements from the third quarter of the fiscal year ended June 30, 2025. Therefore, the figures for the fiscal year ended June 30, 2024 are not provided.

2. Cash dividends

| | Annual dividends per share | | | | | Total cash dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|---|----------------------------|--------------------|-------------------|-----------------|-------|------------------------------|-----------------------------|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Fiscal year ended June 30, 2024 | — | 0.00 | — | 0.00 | 0.00 | — | — | — |
| Fiscal year ended June 30, 2025 | — | 0.00 | — | 0.00 | 0.00 | — | — | — |
| Fiscal year ending June 30, 2026 (Forecast) | — | 0.00 | — | 0.00 | 0.00 | | — | |

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

The consolidated earnings forecasts for the fiscal year ending June 30, 2026 have not yet been determined, as it is difficult to calculate reasonable earnings forecasts at the present time. The earnings forecasts will be promptly disclosed when it becomes possible to do so. For further details regarding the reason, please refer to “1. Overview of operating results and others (4) Future outlook.”

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Aurum Tech, Inc.)

Excluded: –

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

| | |
|---------------------|-------------------|
| As of June 30, 2025 | 25,664,200 shares |
| As of June 30, 2024 | 25,479,200 shares |

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

| | |
|---------------------|---|
| As of June 30, 2025 | – |
| As of June 30, 2024 | – |

(iii) Average number of shares outstanding during the period

| | |
|---------------------------------|-------------------|
| Fiscal year ended June 30, 2025 | 25,511,843 shares |
| Fiscal year ended June 30, 2024 | 25,381,158 shares |

[Reference] Summary of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|-------------------|-----------------|--------|------------------|---|-----------------|---|-----------------|---|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| June 30, 2025 | 17,090 | 23.8 | 441 | – | 451 | – | 321 | – |
| June 30, 2024 | 13,806 | (15.7) | (367) | – | (429) | – | (554) | – |

| | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Fiscal year ended | Yen | Yen |
| June 30, 2025 | 12.60 | 11.99 |
| June 30, 2024 | (21.85) | – |

Note: Diluted earnings per share for the fiscal year ended June 30, 2024 are not presented, even though there were potential shares, because we posted a loss per share.

(2) Non-consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|---------------|-----------------|-----------------|-----------------------|----------------------|
| As of | Millions of yen | Millions of yen | % | Yen |
| June 30, 2025 | 13,247 | 9,552 | 72.1 | 372.20 |
| June 30, 2024 | 12,900 | 9,233 | 71.6 | 362.36 |

Reference: Equity

As of June 30, 2025: ¥9,552 million

As of June 30, 2024: ¥9,232 million

(Reason for differences from the non-consolidated actual financial results for the previous fiscal year)

In the fiscal year ended June 30, 2025, net sales increased as a result of progress in expanding the product portfolio through aggressive advertising investments. Although there were factors such as an increase in personnel expenses due to an increase in the number of employees, an increase in recruitment and training expenses due to the strengthening of human resource development measures, and an increase in rent expenses on land and buildings, etc. due to the expansion of facilities, the growth in net sales exceeded the increase in these expenses, resulting in a difference from the actual financial results for the previous fiscal year.

- * Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.
- * Proper use of earnings forecasts, and other special matters

Forward-looking statements, including the earnings forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual results may differ materially from the forecasts due to various factors. Please refer to “1. Overview of operating results and others” on page 2 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Overview of operating results and others

Forward-looking statements in this document are based on our views as of the end of the fiscal year ended June 30, 2025.

(1) Overview of operating results for the fiscal year under review

During the fiscal year ended June 30, 2025, the Japanese economy overall remained on a moderate recovery trend amid progress in normalization of economic activities, driven by improvements in the employment and income environment, as well as a recovery in demand from inbound tourists, despite concerns over a continuing rise in the price of goods and downside risks concerning the strength of overseas economies.

In the online advertising market, which is the Group's core business domain, the utilization of performance-based advertising, such as video advertising and social media advertising, is expanding amid the accelerating shift to digitalization across society as a whole. As a result, advertising expenditures for the fiscal year 2024 grew to ¥3.6 trillion (up 9.6% year on year). In addition, online advertising expenditures accounted for 47.6% of total advertising expenditures in fiscal year 2024 (up 2.1% year on year), indicating that demand for online advertising is growing even more. (Source: "2024 Advertising Expenditures in Japan," Dentsu Inc.)

Under these circumstances, the Group has achieved growth in its main business by expanding its marketing methods, including aggressive investment in new products and new genres, and enhancing advertising operation methods. In particular, by increasing the use of video advertising in addition to display advertising, the Group has established a system that contributes to expanding sales of multiple core products (Note 1), thereby diversifying its marketing strategy as well as strengthening its revenue base. The Group is also focusing on operational reforms utilizing technology, such as accelerating PDCA cycles by leveraging data accumulated through advertising delivery and improving advertising production efficiency through the use of generative AI.

Furthermore, during the fiscal year ended June 30, 2025, with the establishment of Aurum Tech, Inc. as a newly consolidated subsidiary, the Group has become able to hold products in-house and maintain sales infrastructure including logistics, inventory management, and order management. Based on this, the Group has established a system to provide a value in support to companies that "are facing challenges in building their own sales infrastructure," in addition to the digital marketing support for companies that "have attractive products but face challenges in their sales methods," which has been the focus of the Group's efforts to date. This enabled the Group to establish a support system that provides "mechanisms for driving product sales" in a comprehensive manner, with the aim of expanding the scope of its support areas.

As a result, operating results for the fiscal year ended June 30, 2025 were net sales of ¥17,160,468 thousand (up 24.3% year on year), operating profit of ¥436,309 thousand (operating loss of ¥367,956 thousand in the same period of the previous fiscal year), ordinary profit of ¥433,337 thousand (ordinary loss of ¥429,693 thousand in the same period of the previous fiscal year), and profit attributable to owners of parent of ¥303,542 thousand (loss of ¥554,543 thousand in the same period of the previous fiscal year).

(Note 1) Core products are defined as products (products and services of client companies that the Group supports) with average monthly revenue share (the Group's net sales) of at least ¥10 million.

(Note 2) The Group has transitioned to consolidated accounting, effective from the fiscal year ended June 30, 2025. The terms "year on year" and "same period of the previous fiscal year" used in this document refer to comparisons with figures from the non-consolidated financial statements for the previous fiscal year

(2) Overview of financial position for the fiscal year under review

Assets

Total assets as of June 30, 2025 were ¥13,234,380 thousand. The main breakdown was cash and deposits of ¥8,899,026 thousand, accounts receivable - trade of ¥1,654,319 thousand, advance payments to suppliers of ¥1,333,719 thousand, and merchandise of ¥334,613 thousand.

Liabilities

Total liabilities as of June 30, 2025 were ¥3,699,508 thousand. The main breakdown was accounts payable - trade of ¥973,309 thousand, long-term borrowings (including current portion) of ¥1,800,000 thousand, and accounts payable - other of ¥449,299 thousand.

Net assets

Total net assets as of June 30, 2025 were ¥9,534,871 thousand. The main breakdown was share capital of ¥3,380,213 thousand, capital surplus of ¥3,305,213 thousand, and retained earnings of ¥2,835,549 thousand.

(3) Overview of cash flows for the fiscal year under review

Cash and cash equivalents (“cash”) as of June 30, 2025 were ¥8,883,619 thousand.

The respective cash flow positions and the factors thereof in the fiscal year ended June 30, 2025 are as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥365,134 thousand. The main breakdown was the recording of profit before income taxes of ¥438,022 thousand, an increase in trade receivables of ¥216,279 thousand, an increase in advance payments to suppliers of ¥402,928 thousand, an increase in accounts payable - trade of ¥414,500 thousand, an increase in accounts payable - other of ¥74,965 thousand, and income taxes refund of ¥351,046 thousand.

Cash flows from investing activities

Net cash used in investing activities was ¥399,094 thousand. The main breakdown was purchase of investment securities of ¥180,016 thousand, and purchase of property, plant and equipment of ¥132,907 thousand.

Cash flows from financing activities

Net cash used in financing activities totaled ¥710,930 thousand. The main breakdown was repayments of long-term borrowings of ¥720,000 thousand.

(4) Future outlook

In addition to developing new products and genres, the Group will focus on upstream consulting such as product planning, develop new advertising media, and expand marketing methods to expand the product portfolio and increase the number of core products that will become the mainstay of the Group's earnings in order to achieve continuous earnings growth. In addition, the Group will continue to expand its business portfolio, leveraging the expanded support areas provided by Aurum Tech, Inc. In particular, the Group will aim to strengthen the marketing support system by investing in human resources and IT, and form a new business portfolio through business alliances and M&A to strengthen the business foundation for stable and continuous growth.

However, the Group has decided not to disclose its earnings forecast for the fiscal year ending June 30, 2026 at this stage for the following reasons.

The external business environment surrounding the Group is becoming increasingly difficult and uncertain mainly due to revisions in advertising-related laws and regulations, changes in rules for some advertising media, and fluctuations in Internet advertising unit prices, and other factors.

In addition, the Group is focusing on expanding new products and aiming to transform its product portfolio to achieve medium- to long-term growth. The Group expects that earnings will grow in the future as more new products become core products. However, due to the fact that the launch of new products is taking longer than expected, it is difficult to reasonably forecast the timing and degree to which such products will contribute to the Group's earnings.

The consolidated earnings forecasts will be promptly disclosed when it becomes possible to do so.

2. Basic rationale for selection of accounting standards

The Group prepares financial statements in accordance with Japanese GAAP, taking into consideration factors such as the burden of establishing a system for preparing financial statements in accordance with International Financial Reporting Standards (IFRS).

3. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Thousands of yen)

As of June 30, 2025

| | |
|---|------------|
| Assets | |
| Current assets | |
| Cash and deposits | 8,899,026 |
| Accounts receivable - trade | 1,654,319 |
| Merchandise | 334,613 |
| Supplies | 21,467 |
| Advance payments to suppliers | 1,333,719 |
| Prepaid expenses | 126,092 |
| Accounts receivable - other | 143,758 |
| Other | 3,340 |
| Total current assets | 12,516,338 |
| Non-current assets | |
| Property, plant and equipment | |
| Buildings | 170,205 |
| Vehicles | 5,636 |
| Tools, furniture and fixtures | 135,086 |
| Accumulated depreciation | (119,711) |
| Total property, plant and equipment | 191,217 |
| Intangible assets | |
| Software | 10,244 |
| Software in progress | 92,378 |
| Total intangible assets | 102,622 |
| Investments and other assets | |
| Investment securities | 213,766 |
| Investments in capital | 25 |
| Leasehold deposits | 122,997 |
| Long-term prepaid expenses | 85,926 |
| Guarantee deposits | 200 |
| Total investments and other assets | 422,915 |
| Total non-current assets | 716,755 |
| Deferred assets | |
| Organization expenses | 1,286 |
| Total deferred assets | 1,286 |
| Total assets | 13,234,380 |
| Liabilities | |
| Current liabilities | |
| Accounts payable - trade | 973,309 |
| Current portion of long-term borrowings | 720,000 |
| Accounts payable - other | 449,299 |
| Accrued expenses | 154,851 |
| Income taxes payable | 169,928 |
| Accrued consumption taxes | 67,623 |
| Deposits received | 18,380 |
| Provision for bonuses | 59,948 |
| Total current liabilities | 2,613,341 |

(Thousands of yen)

As of June 30, 2025

| | |
|---|------------|
| Non-current liabilities | |
| Long-term borrowings | 1,080,000 |
| Deferred tax liabilities | 6,167 |
| Total non-current liabilities | 1,086,167 |
| Total liabilities | 3,699,508 |
| Net assets | |
| Shareholders' equity | |
| Share capital | 3,380,213 |
| Capital surplus | 3,305,213 |
| Retained earnings | 2,835,549 |
| Total shareholders' equity | 9,520,977 |
| Accumulated other comprehensive income | |
| Valuation difference on available-for-sale securities | 13,399 |
| Total accumulated other comprehensive income | 13,399 |
| Share acquisition rights | 494 |
| Total net assets | 9,534,871 |
| Total liabilities and net assets | 13,234,380 |

(2) Consolidated statement of income and consolidated statement of comprehensive income**Consolidated statement of income**

(Thousands of yen)

| | Fiscal year ended June 30, 2025 |
|--|------------------------------------|
| Net sales | 17,160,468 |
| Cost of sales | 14,859,861 |
| Gross profit | 2,300,607 |
| Selling, general and administrative expenses | 1,864,297 |
| Operating profit | 436,309 |
| Non-operating income | |
| Interest income | 5,713 |
| Foreign exchange gains | 166 |
| Gain on investments in capital | 267 |
| Surrender value of insurance policies | 16,479 |
| Miscellaneous income | 3,422 |
| Total non-operating income | 26,048 |
| Non-operating expenses | |
| Interest expenses | 27,612 |
| Commission for syndicated loans | 1,100 |
| Miscellaneous losses | 308 |
| Total non-operating expenses | 29,021 |
| Ordinary profit | 433,337 |
| Extraordinary income | |
| Gain on sale of non-current assets | 774 |
| Gain on sale of investment securities | 3,911 |
| Total extraordinary income | 4,685 |
| Profit before income taxes | 438,022 |
| Income taxes - current | 134,480 |
| Total income taxes | 134,480 |
| Profit | 303,542 |
| Profit attributable to owners of parent | 303,542 |

Consolidated statement of comprehensive income

(Thousands of yen)

| | Fiscal year ended June 30, 2025 |
|---|------------------------------------|
| Profit | 303,542 |
| Other comprehensive income | |
| Valuation difference on available-for-sale securities | (11,003) |
| Total other comprehensive income | (11,003) |
| Comprehensive income | 292,539 |
| Comprehensive income attributable to | |
| Comprehensive income attributable to owners of parent | 292,539 |

(3) Consolidated statement of changes in equity

Fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)

(Thousands of yen)

| | Shareholders' equity | | | |
|--|----------------------|-----------------|-------------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Total shareholders' equity |
| Balance at beginning of period | 3,375,642 | 3,300,642 | 2,532,007 | 9,208,293 |
| Changes during period | | | | |
| Issuance of new shares (Exercise of share acquisition rights) | 4,571 | 4,571 | — | 9,142 |
| Profit attributable to owners of parent | — | — | 303,542 | 303,542 |
| Net changes in items other than shareholders' equity | — | — | — | — |
| Total changes during period | 4,571 | 4,571 | 303,542 | 312,684 |
| Balance at end of period | 3,380,213 | 3,305,213 | 2,835,549 | 9,520,977 |

| | Accumulated other comprehensive income | | Share acquisition rights | Total net assets |
|--|---|--|--------------------------|------------------|
| | Valuation difference on available-for-sale securities | Total accumulated other comprehensive income | | |
| Balance at beginning of period | 24,402 | 24,402 | 566 | 9,233,262 |
| Changes during period | | | | |
| Issuance of new shares (Exercise of share acquisition rights) | — | — | (72) | 9,070 |
| Profit attributable to owners of parent | — | — | — | 303,542 |
| Net changes in items other than shareholders' equity | (11,003) | (11,003) | — | (11,003) |
| Total changes during period | (11,003) | (11,003) | (72) | 301,609 |
| Balance at end of period | 13,399 | 13,399 | 494 | 9,534,871 |

(4) Consolidated statement of cash flows

(Thousands of yen)

| | Fiscal year ended June 30, 2025 |
|--|------------------------------------|
| Cash flows from operating activities | |
| Profit before income taxes | 438,022 |
| Depreciation and amortization | 56,693 |
| Loss (gain) on sale of property, plant and equipment | (774) |
| Interest and dividend income | (5,713) |
| Interest expenses | 27,612 |
| Loss (gain) on sale of investment securities | (3,911) |
| Commission for syndicated loans | 1,100 |
| Loss (gain) on investments in capital | (267) |
| Loss (gain) on cancellation of insurance policies | (16,479) |
| Decrease (increase) in trade receivables | (216,279) |
| Decrease (increase) in advance payments to suppliers | (402,928) |
| Decrease (increase) in inventories | (356,081) |
| Increase (decrease) in accounts payable - trade | 414,500 |
| Increase (decrease) in accounts payable - other | 74,965 |
| Increase (decrease) in accrued expenses | 23,910 |
| Increase (decrease) in accrued consumption taxes | 67,623 |
| Increase (decrease) in provision for bonuses | 6,403 |
| Decrease (increase) in accounts receivable - other | (92,083) |
| Other, net | 7,220 |
| Subtotal | 23,534 |
| Interest and dividends received | 5,713 |
| Interest paid | (28,104) |
| Surrender value of insurance policies | 16,479 |
| Income taxes paid | (3,535) |
| Income taxes refund | 351,046 |
| Net cash provided by (used in) operating activities | 365,134 |
| Cash flows from investing activities | |
| Payments into time deposits | (1,305) |
| Purchase of investment securities | (180,016) |
| Proceeds from sale of investment securities | 20,635 |
| Purchase of property, plant and equipment | (132,907) |
| Purchase of intangible assets | (12,045) |
| Purchase of long-term prepaid expenses | (96,952) |
| Proceeds from refund of leasehold deposits | 3,592 |
| Proceeds from sale of non-current assets | 1,264 |
| Other, net | (1,359) |
| Net cash provided by (used in) investing activities | (399,094) |

(Thousands of yen)

| | Fiscal year ended June 30, 2025 |
|--|------------------------------------|
| Cash flows from financing activities | |
| Repayments of long-term borrowings | (720,000) |
| Other, net | 9,070 |
| Net cash provided by (used in) financing activities | (710,930) |
| Net increase (decrease) in cash and cash equivalents | (744,889) |
| Cash and cash equivalents at beginning of period | 9,628,509 |
| Cash and cash equivalents at end of period | 8,883,619 |

(5) Notes to consolidated financial statementsNotes on premise of going concern

Not applicable.

Changes in accounting policies

(Application of the Accounting Standard for Current Income Taxes, etc.)

The Company has applied the Accounting Standard for Current Income Taxes, etc. (ASBJ Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) from the current fiscal year.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). These changes in accounting policies do not affect the consolidated financial statements.

Additional information

(Impact of change in corporate tax rate)

Following the enactment of the “Act for Partial Amendment to the Income Tax Act, etc.” (Act No. 13 of 2025) on March 31, 2025, the special defense corporate tax will come into effect for the fiscal years beginning on or after April 1, 2026. In conjunction with the above, the statutory effective tax rate used to calculate deferred tax assets and deferred tax liabilities related to temporary differences expected to be eliminated in or after the fiscal year beginning on July 1, 2026 will be revised from 30.62% to 31.52%. The impact of this change on the Group’s earnings is immaterial.

Notes on segment information, etc.

1. Overview of the reportable segment

In the sharing-type integrated marketing business, “sharing-type” refers to the sharing of sales with clients, while “integrated marketing business” refers to a business model that provides comprehensive support from upstream to downstream marketing. In this business, the Group shoulders the advertising costs and implements marketing measures to acquire new users for client companies’ products and receives a portion of the resulting sales as revenue share. There are no initial costs for client companies when implementing marketing measures, and costs are incurred only when our marketing efforts deliver results and lead to actual sales. Therefore, this business enables us to provide marketing support to a wide range of companies, including small- and medium-sized enterprises that have not been able to receive sufficient marketing support in the past.

A reportable segment is a component of the Group for which separate financial information is available and that is subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

2. Calculation method for net sales, profit or loss, assets, liabilities, and other items for the reportable segment

The accounting method used for the reportable segment is generally consistent with the method used in the preparation of the consolidated financial statements.

Profit for each reportable segment is based on operating profit figures.

3. Information on net sales, profit or loss, assets, liabilities, and other items for the reportable segment

Fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)

(Thousands of yen)

| | Reportable segment | Other (Note 1) | Total | Adjustment (Note2) | Amount recorded in consolidated financial statements |
|---|---|-------------------|------------|-----------------------|--|
| | Sharing-type integrated marketing business | | | | |
| Net sales | | | | | |
| Net sales to external customers | 17,090,029 | 70,438 | 17,160,468 | — | 17,160,468 |
| Intersegment net sales or transfers | — | — | — | — | — |
| Total | 17,090,029 | 70,438 | 17,160,468 | — | 17,160,468 |
| Segment profit | 441,608 | (13,766) | 427,842 | 8,467 | 436,309 |
| Segment assets | 13,247,769 | 1,012,004 | 14,259,773 | (1,025,394) | 13,234,380 |
| Other items | | | | | |
| Depreciation | 45,488 | 160 | 45,648 | — | 45,648 |
| Increase in property, plant and equipment and intangible assets | 97,462 | 1,440 | 98,903 | — | 98,903 |

Note 1 “Other” refers to business segments that are not included in the reportable segment.

Note 2 The adjustment amount represents intersegment eliminations.

Related information

Fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)

1. Information about products and services

This information is omitted because sales to external customers for a single product or service category account for more than 90% of net sales in the consolidated statement of income.

2. Information about geographical areas

(1) Net sales

Not applicable since there are no sales to external customers outside of Japan.

(2) Property, plant and equipment

Not applicable since the Company has no property, plant and equipment located outside of Japan.

3. Information about main customers

(Thousands of yen)

| Name or designation of customer | Net sales | Related segment name |
|---------------------------------|-----------|---|
| R Corporation | 6,460,628 | Sharing-type integrated marketing business |

Information about impairment loss of non-current assets by reportable segment

Not applicable.

Information about amortization and unamortized balance of goodwill by reportable segment

Not applicable.

Information about gain on bargain purchase by reportable segment

Not applicable.

Per share information

(Yen)

| | Fiscal year ended June 30, 2025 |
|----------------------------|---------------------------------|
| Net assets per share | 371.50 |
| Basic earnings per share | 11.90 |
| Diluted earnings per share | 11.32 |

Notes: 1. The basis for calculating basic earnings per share and diluted earnings per share is as follows.

| | Fiscal year ended June 30, 2025 |
|--|---|
| Basic earnings per share | |
| Profit attributable to owners of parent (Thousands of yen) | 303,542 |
| Profit not attributable to common shareholders (Thousands of yen) | — |
| Profit attributable to common shareholders of parent (Thousands of yen) | 303,542 |
| Average number of common shares outstanding during the period (Shares) | 25,511,843 |
| | |
| Diluted earnings per share | |
| Adjustment to profit attributable to owners of parent (Thousands of yen) | — |
| Increase in number of common shares (Shares) | 1,293,913 |
| (Of which, share acquisition rights) (Shares) | 1,293,913 |
| Summary of potential shares not included in the calculation of diluted earnings per share attributable to owners of parent because of lack of dilutive effects | <p>5th series of share acquisition rights by resolution of the Extraordinary General Meeting of Shareholders held on June 28, 2021 Number of the share acquisition rights: 323 (Common shares: 32,300 shares)</p> <p>6th series of share acquisition rights by resolution of the Extraordinary General Meeting of Shareholders held on June 29, 2022 Number of the share acquisition rights: 602 (Common shares: 60,200 shares)</p> |

Subsequent events

Not applicable.