August 8, 2025

# Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: IX Knowledge Inc.
Listing: Tokyo Stock Exchange
Securities code: 9753
URL: https://www.ikic.co.jp
Representative: Hirofumi Inukai, President, Chief Executive Officer
Inquiries: Gohta Sugimachi, Chief of Corporate Planning Headquarters
Telephone: +81-3-6400-7000

Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

## 1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|
| Three months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| June 30, 2025 | 6,314 | 15.7 | 612 | 37.2 | 657 | 33.5 | 489 | 45.3 |
| June 30, 2024 | 5,459 | (0.8) | 446 | (12.5) | 492 | (10.8) | 336 | (9.5) |

Note: Comprehensive income For the three months ended June 30, 2025: ¥615 million [52.0%]
For the three months ended June 30, 2024: ¥404 million [(14.2)%]

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Three months ended | Yen | Yen |
| June 30, 2025 | 51.17 | – |
| June 30, 2024 | 35.23 | – |

### (2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|---|---|---|---|
| As of | Millions of yen | Millions of yen | % |
| June 30, 2025 | 14,822 | 10,293 | 69.4 |
| March 31, 2025 | 15,070 | 10,059 | 66.8 |

Reference: Equity As of June 30, 2025: ¥10,293 million
As of March 31, 2025: ¥10,059 million

## 2. Cash 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 | – | 40.00 | 40.00 |
| Fiscal year ending March 31, 2026 | – | | | | |
| Fiscal year ending March 31, 2026 (Forecast) | | 0.00 | – | 40.00 | 40.00 |

Notes: Revisions to the forecast of cash dividends most recently announced: None

Breakdown of the fiscal year-end dividend for the fiscal year ended March 31, 2025: Common dividend of 35.00 yen and commemorative dividend of 5.00 yen (for the 25th anniversary of the Company's inception)

## 3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|---|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 23,238 | 1.8 | 1,925 | 3.1 | 1,987 | 1.9 | 1,366 | 3.0 | 142.93 |

Note: Revisions to the financial results forecast most recently announced: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: –
Excluded: –

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None

(4) 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 | 10,800,000 shares |
| As of March 31, 2025 | 10,800,000 shares |

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

| | |
|---|---|
| As of June 30, 2025 | 1,235,983 shares |
| As of March 31, 2025 | 1,235,936 shares |

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|---|---|
| Three months ended June 30, 2025 | 9,564,061 shares |
| Three months ended June 30, 2024 | 9,561,260 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forecast figures stated above are projections based on currently available information and contain many uncertainties. Actual results may differ from the forecast figures above due to changes in business conditions and other factors.

For matters related to the above forecasts, please see page 3 of the Attachments.

Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results ....................2
(1) Explanation of Operating Results ....................2
(2) Explanation of Financial Position ....................2
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information ....................3

2. Quarterly Consolidated Financial Statements and Principal Notes ....................4
(1) Quarterly Consolidated Balance Sheets ....................4
(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Three Months Ended June 30 ....................6
Quarterly Consolidated Statements of Comprehensive Income
Three Months Ended June 30 ....................7
(3) Notes to Quarterly Consolidated Financial Statements ....................8
(Notes on going concern assumption) ....................8
(Notes in case of significant changes in shareholders' equity) ....................8
(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements) ....................8
(Notes on segment information, etc.) ....................8
(Notes on quarterly consolidated statements of cash flows) ....................8
(Significant subsequent events) ....................9

## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

During the three months ended June 30, 2025 (the "three-month period under review"), the Japanese economy was on a gradual recovery track due to continued improvements in corporate earnings and the employment and income environment. Meanwhile, there are concerns over possible impacts of continued price increases caused by policy trends in Europe and the United States, prolonged geopolitical risks, and other factors, and thus the economic outlook remains uncertain.

In the domestic information services market, companies' continuing efforts on digital transformation (DX) utilizing new technologies such as generative AI to promote business transformation led to strong demand for IT services.

Under these circumstances, the Group has worked to further expand its capabilities and enhance corporate value by promoting sustainability management integrating financial and non-financial strategies under its Group Purpose, "Connecting people one world."

Specifically, the Group strove to expand its core businesses by enhancing the ability to address DX projects through the development of cloud-native human resources, as well as by strengthening the Group's sales system and collaboration with partner companies to respond to diversifying customer needs. In addition, the Group launched an internal working group aimed at creating next growth businesses, exploring new business models, and promoted initiatives on business alliances and M&A to strengthen its business foundations over the medium to long term. Furthermore, in April 2025, the Group established the Sustainability Promotion Committee to further strengthen its sustainability management initiatives.

In terms of trends by item of services for the three-month period under review, in the Consulting and System Integration Services, orders for system development projects for companies such as financial institutions and telecommunications carriers expanded. In the System Management Services, orders for infrastructure and environment development projects remained strong for both medical institutions and security service providers, resulting in an increase in net sales compared to the same period of the previous fiscal year.

As a result, for the three-month period under review, net sales were 6,314 million yen, up 15.7% year on year. In terms of profits, operating profit was 612 million yen, up 37.2% year on year, ordinary profit was 657 million yen, up 33.5% year on year, and profit attributable to owners of parent was 489 million yen, up 45.3% year on year.

### (2) Explanation of Financial Position

*Assets*

Total assets as of June 30, 2025 amounted to 14,822 million yen, a decrease of 247 million yen from March 31, 2025. This is mainly attributable to a decrease in cash and deposits of 382 million yen, an increase in investment securities of 204 million yen, and a decrease in deferred tax assets of 57 million yen.

*Liabilities*

Total liabilities as of June 30, 2025 amounted to 4,528 million yen, a decrease of 482 million yen from March 31, 2025. This is mainly attributable to decreases in provision for bonuses of 457 million yen and income taxes payable of 249 million yen, and an increase in deposits received of 233 million yen, which is included in other under current liabilities.

*Net assets*

Total net assets as of June 30, 2025 amounted to 10,293 million yen, an increase of 234 million yen from March 31, 2025. This is mainly attributable to increases in valuation difference on available-for-sale securities of 129 million yen and retained earnings of 106 million yen.

As a result, the equity-to-asset ratio increased to 69.4% from 66.8% as of March 31, 2025.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

There are no revisions to the full-year financial results forecast for the fiscal year ending March 31, 2026 that was announced on May 12, 2025 at this point. This is because the Company believes that, in view of the financial results for the three-month period under review and the current business conditions and environment, they have been trending within the range of the forecast.

Meanwhile, actual results may differ from the forecast figures due to various factors going forward.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 6,460,423 | 6,077,804 |
| Notes and accounts receivable - trade, and contract assets | 4,153,336 | 4,174,071 |
| Electronically recorded monetary claims - operating | 7,581 | – |
| Merchandise and finished goods | 1,480 | 5,600 |
| Other | 196,758 | 189,581 |
| Total current assets | 10,819,581 | 10,447,057 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 81,115 | 71,642 |
| Land | 116,992 | 105,941 |
| Other, net | 14,501 | 32,531 |
| Total property, plant and equipment | 212,609 | 210,115 |
| Intangible assets | | |
| Software | 30,593 | 23,853 |
| Software in progress | 529 | 529 |
| Goodwill | 114,274 | 108,561 |
| Customer-related intangible assets | 111,428 | 105,857 |
| Other | 8,835 | 8,835 |
| Total intangible assets | 265,662 | 247,636 |
| Investments and other assets | | |
| Investment securities | 2,905,513 | 3,109,635 |
| Deferred tax assets | 574,105 | 516,212 |
| Other | 292,575 | 291,505 |
| Total investments and other assets | 3,772,194 | 3,917,353 |
| Total non-current assets | 4,250,466 | 4,375,105 |
| Total assets | 15,070,047 | 14,822,163 |

(Thousands of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 946,412 | 950,504 |
| Current portion of long-term borrowings | 100,000 | 100,000 |
| Accounts payable - other | 303,136 | 252,116 |
| Income taxes payable | 500,078 | 251,065 |
| Provision for bonuses | 1,186,074 | 728,925 |
| Provision for bonuses for directors (and other officers) | 42,705 | – |
| Provision for loss on orders received | 169,070 | 90,313 |
| Other | 416,770 | 872,971 |
| Total current liabilities | 3,664,246 | 3,245,896 |
| Non-current liabilities | | |
| Long-term borrowings | 240,000 | 215,000 |
| Retirement benefit liability | 979,122 | 942,165 |
| Deferred tax liabilities | 31,088 | 29,161 |
| Asset retirement obligations | 66,359 | 66,387 |
| Other | 29,800 | 29,800 |
| Total non-current liabilities | 1,346,370 | 1,282,513 |
| Total liabilities | 5,010,617 | 4,528,410 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 1,180,897 | 1,180,897 |
| Capital surplus | 1,111,189 | 1,112,962 |
| Retained earnings | 7,146,375 | 7,253,196 |
| Treasury shares | (632,409) | (632,460) |
| Total shareholders' equity | 8,806,053 | 8,914,595 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,011,111 | 1,140,636 |
| Remeasurements of defined benefit plans | 242,265 | 238,519 |
| Total accumulated other comprehensive income | 1,253,377 | 1,379,156 |
| Total net assets | 10,059,430 | 10,293,752 |
| Total liabilities and net assets | 15,070,047 | 14,822,163 |

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

### Quarterly Consolidated Statements of Income

### Three Months Ended June 30

(Thousands of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|---|---|---|
| Net sales | 5,459,790 | 6,314,600 |
| Cost of sales | 4,288,384 | 4,961,059 |
| Gross profit | 1,171,405 | 1,353,540 |
| Selling, general and administrative expenses | 725,286 | 741,520 |
| Operating profit | 446,119 | 612,020 |
| Non-operating income | | |
| Interest income | 1,667 | 1,444 |
| Dividend income | 30,407 | 34,420 |
| Foreign exchange gains | 4,544 | – |
| Share of profit of entities accounted for using equity method | 6,694 | 13,967 |
| Miscellaneous income | 3,485 | 960 |
| Total non-operating income | 46,798 | 50,792 |
| Non-operating expenses | | |
| Interest expenses | 296 | 1,066 |
| Foreign exchange losses | – | 2,244 |
| Miscellaneous losses | 0 | 1,681 |
| Total non-operating expenses | 296 | 4,991 |
| Ordinary profit | 492,620 | 657,821 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 5 | 57,019 |
| Total extraordinary income | 5 | 57,019 |
| Extraordinary losses | | |
| Loss on abandonment of non-current assets | 0 | 154 |
| Total extraordinary losses | 0 | 154 |
| Profit before income taxes | 492,626 | 714,685 |
| Income taxes | 155,760 | 225,301 |
| Profit | 336,865 | 489,383 |
| Profit attributable to non-controlling interests | – | – |
| Profit attributable to owners of parent | 336,865 | 489,383 |

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Thousands of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|---|---|---|
| Profit | 336,865 | 489,383 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 66,750 | 129,525 |
| Remeasurements of defined benefit plans, net of tax | 1,158 | (3,745) |
| Total other comprehensive income | 67,908 | 125,779 |
| Comprehensive income | 404,774 | 615,163 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 404,774 | 615,163 |
| Comprehensive income attributable to non-controlling interests | – | – |

## (3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating an effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year that includes the three-month period under review, and multiplying profit before income taxes by the estimated effective tax rate.

However, in the case where using the estimated effective tax rate results in extremely unreasonable tax expenses, the statutory effective tax rate is used instead.

(Notes on segment information, etc.)

[Segment information]

This information is omitted since the Group has a single segment consisting of the information services business.

(Notes on quarterly consolidated statements of cash flows)

Quarterly consolidated statement of cash flows for the three-month period under review have not been prepared. Depreciation (including amortization of intangible assets except for goodwill) and amortization of goodwill for the three months ended June 30, 2024 and 2025 are as shown below.

(Thousands of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|---|---|---|
| Depreciation | 15,860 | 16,699 |
| Amortization of goodwill | 5,713 | 5,713 |

(Significant subsequent events)

(Disposal of treasury shares as restricted stock compensation)

The Board of Directors of the Company, at its meeting held on July 22, 2025, resolved to dispose of treasury shares as restricted stock compensation (hereinafter the “Disposal of Treasury Shares”) without contribution, and conducted the Disposal of Treasury Shares as follows.

1. Overview of the disposal

| | | |
|---|---|---|
| (1) | Disposal date | August 8, 2025 |
| (2) | Class and number of shares disposed of | 6,665 shares of the Company’s common stock |
| (3) | Allottees | 4 Directors of the Company (excluding outside directors) |
| (4) | Other | The Disposal of Treasury Shares was conducted to grant treasury shares without contribution as compensation for directors (Article 202-2 of the Companies Act). The total disposal amount is 7,498,125 yen, the amount calculated by multiplying the closing price (1,125 yen) of the Company’s common stock on the Tokyo Stock Exchange on July 18, 2025, the business day immediately preceding the date of the resolution of the Board of Directors, used as the fair disposal price, by the aforementioned number of shares disposed of. |

2. Purpose and reason for the disposal

The Board of Directors of the Company, at its meeting held on April 28, 2022, resolved to introduce a Restricted Stock Compensation Plan for the purpose of providing the Company’s directors (excluding outside directors) with an incentive to continuously improve corporate value and further promoting value sharing with its shareholders. This plan was approved at the 44th Ordinary General Meeting of Shareholders held on June 23, 2022. In light of the Restricted Stock Compensation Plan, the Disposal of Treasury Shares was conducted in accordance with the resolution at the Board of Directors meeting held on July 22, 2025.