

November 14, 2025

## Consolidated Financial Results for the First Quarter of the Fiscal Year Ending June 30, 2026 (Three Months Ended September 30, 2025) [IFRS]

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Scheduled date of payment of dividend: –

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: None

(All amounts are rounded down to the nearest million yen.)

### 1. Management Performance under IFRS and Non-GAAP Measures

Consolidated Results of Operations (July 1, 2025–September 30, 2025)

(Percentages represent year-on-year changes.)

	Revenue		Operating income		Net income before tax		Net income		Net income attributable to owners of parent	
(IFRS)	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Sep. 30, 2025	1,863	0.8	(72)	–	(85)	–	(83)	–	(84)	–
Three months ended Sep. 30, 2024	1,848	–	30	–	19	–	(48)	–	(43)	–
(Non-GAAP)	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Sep. 30, 2025	1,863	0.8	(67)	–	(79)	–	(78)	–	(78)	–
Three months ended Sep. 30, 2024	1,848	–	30	–	19	–	11	–	19	–

	IFRS		Non-GAAP	
	Basic earnings per share	Diluted earnings per share	Basic earnings per share	Diluted earnings per share
	Yen	Yen	Yen	Yen
Three months ended Sep. 30, 2025	(4.88)	(4.88)	(4.55)	(4.55)
Three months ended Sep. 30, 2024	(2.48)	(2.48)	1.14	1.14

Notes: 1. Revenue, operating income, and net income before tax for the three months ended September 30, 2024 were reclassified by deducting the amounts of those from discontinued operations from the amounts of those from continuing operations. Because of this, these year-on-year changes are not presented.

For details of the discontinued operations, please refer to “2. Condensed Quarterly Consolidated Financial Statements and Notes, (5) Notes to Condensed Quarterly Consolidated Financial Statements, Discontinued Operations” on page 15 of Attachments.

2. M&A expenses of 5 million yen were deducted from operating income and the line items below for the three months ended September 30, 2025.

3. Under non-GAAP measures, net income from discontinued operations was deducted from net income and the line items below.

4. For details of the non-GAAP measures, please refer to “1. Overview of Business Performance (1) Results of Operations” on page 2 of Attachments.

### 2. Consolidated Financial Position under IFRS

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity per share attributable to owners of parent
	Million yen	Million yen	Million yen	%	Yen
As of Sep. 30, 2025	10,051	4,615	4,582	45.6	263.93
As of Jun. 30, 2025	10,222	4,835	4,803	47.0	276.70

### 3. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Jun. 30, 2025	–	8.00	–	8.50	16.50
Fiscal year ending Jun. 30, 2026	–				
Fiscal year ending Jun. 30, 2026 (forecasts)		8.50	–	8.50	17.00

Note: Revisions to the most recently announced dividend forecast: None

**4. Consolidated Earnings Forecast for the Fiscal Year Ending June 30, 2026 under IFRS  
(July 1, 2025–June 30, 2026)**

(Percentages represent year-on-year changes.)

	Revenue		Operating income		Net income before tax		Net income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	8,800	7.6	630	(16.2)	590	(18.6)	410	(58.3)	410	(58.2)	23.62

Note: Revisions to the most recently announced earnings forecast: None

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly added: –

Excluded: –

(2) Changes in accounting policies and accounting estimates

1) Changes in accounting policies required by IFRS: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

(3) Number of shares issued (common shares)

1) Number of shares issued as of the end of the period (including treasury shares)

As of Sep. 30, 2025: 17,762,659 shares As of Jun. 30, 2025: 17,761,859 shares

2) Number of treasury shares as of the end of the period

As of Sep. 30, 2025: 400,014 shares As of Jun. 30, 2025: 400,014 shares

3) Average number of shares outstanding during the period

Three months ended Sep. 30, 2025: 17,361,897 shares Three months ended Sep. 30, 2024: 17,353,822 shares

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

- Explanation of appropriate use of earnings forecasts, and other special items

*Cautionary statement with respect to forecasts*

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to Scala's management at the time these materials were prepared, but are not promises by Scala regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons.

*How to view supplementary materials for financial results*

Supplementary materials for the financial results will be disclosed today (November 14, 2025) and available on the Scala's website.

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## 1. Overview of Business Performance

Scala, Inc. (“Scala” or the “Company”) and its group companies (collectively the “Group”) have adopted International Financial Reporting Standards (IFRS).

In addition to IFRS, the Group has adopted financial measures that can express its operating performance more accurately (the “non-GAAP measures”) and accordingly has disclosed its consolidated results of operations by applying both IFRS and the non-GAAP measures.

The Company transferred all shares of its consolidated subsidiaries, Retool, Inc. and Nihon Pet Small-amount Short-term Insurance Company. Also, the Company completed liquidation of Leoconnect, Inc. and SCSV-1 Investment Limited Partnership in the fiscal year ended June 30, 2025.

Accordingly, revenue, operating income, and net income before tax for the first three months of the fiscal year ended June 30, 2025 were reclassified by deducting the amounts of those from discontinued operations from the amounts of those from continuing operations.

From the first three months of the fiscal year ending June 30, 2026, the EC Business, a reportable segment, is renamed the TCG Business. There is no change to the details of the business.

### (1) Results of Operations

In the first three months of the fiscal year ending June 30, 2026, the Japanese economy was on a moderate recovery trend, supported by improvements in employment and income conditions. However, the outlook remains uncertain due to the prospective policy trends in the US and unstable international affairs, as well as price hikes driven by soaring resource prices and other related factors.

Under these circumstances, we focus on the growth not only of the Group, but also of our co-creation partners, local communities, and countries by utilizing cutting-edge digital transformation (DX) technologies to reduce costs and streamline operations to create new work styles. Along with that, we acknowledge that initiatives to promote personal growth of people who are involved in resolving social problems are attracting a lot of attention.

In such business environment, the Group has identified five priority themes based on the Mid-Term Management Plan 2026–2028, announced on September 25, 2025, and continued actions for becoming a corporate group that “nurture the future together through trust and co-creation.”

As a result, the Group reported revenue of 1,863 million yen (up 0.8% year on year) for the first three months of the fiscal year ending June 30, 2026. This was mainly due to the strong performance of the booming trading card game market in the TCG Business.

On the profitability front, the Group reported operating loss of 72 million yen (compared with operating income of 30 million yen a year earlier). This was mainly because profit declined on a relative basis, as the DX Business had booked large-scale projects in the previous fiscal year.

Net loss before tax amounted to 85 million yen (compared with net income before tax of 19 million yen a year earlier), loss amounted to 83 million yen (compared with loss of 48 million yen a year earlier), and loss attributable to owners of parent amounted to 84 million yen (compared with loss attributable to owners of parent of 43 million yen a year earlier).

#### Reporting on a non-GAAP basis

The non-GAAP measures are calculated by deducting non-recurring items and other adjustments, which are prescribed by the Group, from IFRS-based financial figures.

We believe that disclosure of the non-GAAP measures makes it easier for our stakeholders to make both cross-sectional and time-series comparisons and can also provide useful information that helps them to understand the Group’s underlying operating performance and its outlook.

Non-recurring items refer to one-off earnings or losses that we believe should be excluded based on certain criteria for the purpose of preparing the earnings forecast.

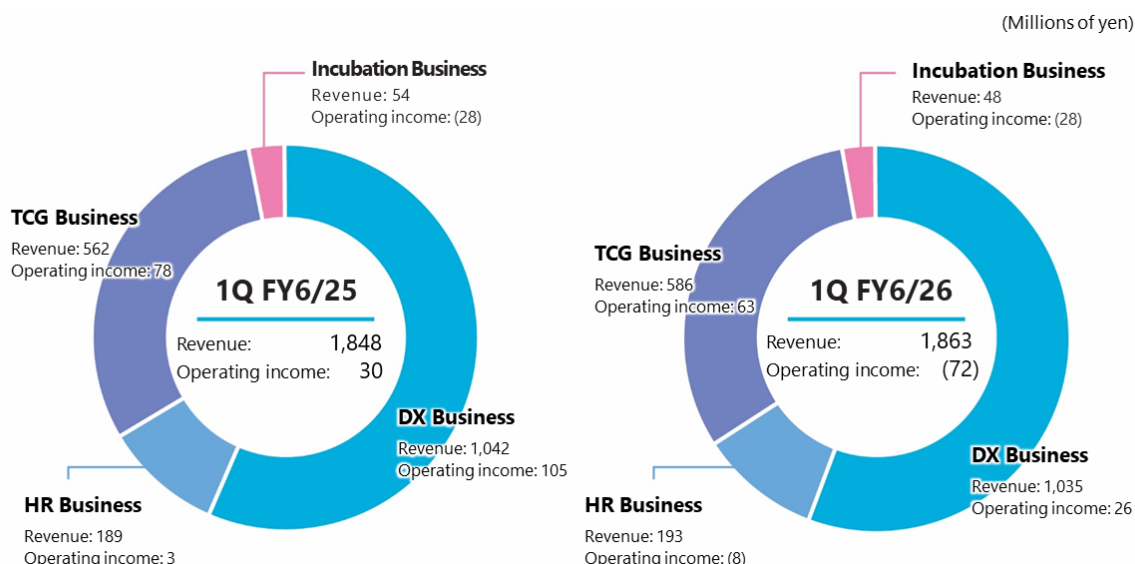
While the Group discloses the non-GAAP measures in reference to the rules set out by the U.S. Securities and

Exchange Commission, this does not mean the Group fully complies with these rules.

M&A expenses of 5 million yen were deducted from the line items below operating income for the period under review. In addition, net income from discontinued operations was deducted from net income and the line items below.

The operating segment performance is as follows.

Segment revenue and income are presented in accordance with IFRS.



#### (i) DX Business

In the DX Business, existing SaaS/ASP-type services such as “i-ask” and “i-search” continued to be steady at Scala Communications, Inc., but one-off sales and pay-as-you-go sales from web services decreased compared to the previous fiscal year. The engineer human resources business continues to perform strongly, contributing to revenue and profit.

At EGG CO., LTD., the Furusato Nozei taxation system business recorded steady growth in orders for BPO projects, supported by an increase in donation amounts due to last-minute demand before discontinuation of the point system, but monthly sales from system maintenance projects decreased largely. Up-front investment in system development also continues in national policy projects.

As a result, the DX Business overall saw a slight decrease in revenue and a decline in income year on year.

(Millions of yen unless otherwise indicated)

		First three months of FY6/25	First three months of FY6/26	Year-on-year change	
				Amount	%
Revenue		1,042	1,035	(7)	Down 0.7%
Segment income (IFRS and non-GAAP measures)	Before allocation of corporate expenses	153	78	(74)	Down 48.4%
	After allocation of corporate expenses	105	26	(78)	Down 74.9%

#### (ii) HR Business

In the HR Business, demand remained strong for the recruiting support service specializing in sports club students and female students, as companies continued to show a high level of hiring motivation. Sales of job-hunting events also trended favorably. The placement services fell short of the level in the same period of the previous fiscal year due to a decrease in members resulting from a shortage of career advisors carried over from the prior year.

The mid-career recruitment support business has remained profitable on a monthly basis since the second half of the previous fiscal year and has continued to perform well.

As a result, revenue slightly increased, and income decreased year on year.

(Millions of yen unless otherwise indicated)

		First three months of FY6/25	First three months of FY6/26	Year-on-year change	
				Amount	%
Revenue		189	193	3	Up 2.0%
Segment income (IFRS and non- GAAP measures)	Before allocation of corporate expenses	23	12	(10)	Down 44.9%
	After allocation of corporate expenses	3	(8)	(11)	—

### (iii) TCG Business

In the TCG Business, the Group operates the reuse EC site Card Shop Yuyu-tei, which offers purchase and sales of trading card games (TCG) as well as strategy guide content. This site has been steadily growing as a major TCG online retailer. As part of further enhancing services to meet strong overseas demand, an overseas direct delivery service was launched in December 2024, and the number of users has been increasing steadily. Furthermore, a system development project for the trading card distribution industry was secured, and development sales were recorded for this new business.

As a result, revenue increased year on year. However, as we continued to actively renovate and improve systems and introduce the latest technology, income decreased year on year.

(Millions of yen unless otherwise indicated)

		First three months of FY6/25	First three months of FY6/26	Year-on-year change	
				Amount	%
Revenue		562	586	24	Up 4.3%
Segment income (IFRS and non- GAAP measures)	Before allocation of corporate expenses	91	73	(18)	Down 20.0%
	After allocation of corporate expenses	78	63	(15)	Down 19.4%

### (iv) Incubation Business

In the Incubation Business, SOCIALX, INC. supports the creation of new businesses for addressing social problems in public-private co-creation through a variety of Gyaku-Propo services. After the Japan Network for Public Interest Activities (JANPIA) has selected the Group's joint application with QR Investment Ltd., an investment subsidiary of Hokkoku Financial Holdings, Inc., made as a fund distribution organization for an impact investment fund utilizing dormant deposits, the Group has been operating the SOCIALX Impact Fund since the second quarter of the previous fiscal year and received the Good Design Award for it. The jury evaluated that its advanced design enables impact startups, which have been difficult to support with usual high-return oriented investment, to balance returns and social value, and it is also convincing as an update of the 2021 winner Gyaku-Propo. They also said that its expansion is anticipated as a new financial design that reconnects society and economy. The Fund is currently sourcing and examining startups for its first project.

The Public-Private Co-Creation Acceleration Program (SOCIALX Acceleration) aims to create and support startups that resolve social issues while achieving both financial returns and social impact. This program has been provided to MUFG Bank, Ltd. and Mitsubishi UFJ Trust and Banking Corporation as an OEM program called "Oshigoto Crowdfunding." In the Gyaku-Propo services, 15 finalist startups selected from around 100 applicants matched with 31 local governments and are carrying out crowdfunding for demonstration experiments. In the SOCIALX Acceleration for OKINAWA, the second batch of 15 finalist startups were selected and began workshops and mentoring for the final screening. In the SOCIALX Acceleration for GUNMA, which has decarbonization as the theme, the two award-winning startups and local governments are continuing demonstration experiments.

In the Startup Support and Development Project by Diverse Entities (TOKYO SUTEAM) by the Tokyo Metropolitan Government, SOCIALX continued to be selected as a partner in fiscal 2025 (April 1, 2025–March

31, 2026) and launched a startup program for university/college students and young entrepreneurs who aim to solve social issues of local governments, in collaboration with Shibuya QWS, at the newly established SOCIALX Studio.

In the Gyaku-Propo Concierge business, the Group supports platform operations in Shinagawa Ward, and provides public-private co-creation supports for other municipalities. We also carry out a program to promote open innovation between companies and local governments through public-private co-creation human resources development across all the 54 municipalities in Aichi Prefecture. With regard to the one-year secondment of staff members from Toyota City, Aichi Prefecture, to the Group for the purpose of human resources development, we welcomed another fresh staff member in the current fiscal year. The Group also dispatched a director as a corporate collaboration promotion advisor to Minato Ward of Tokyo. Amidst the attention of the government and other organizations, the Group continued to take on new challenges in order to build a collaborative economy.

Scala, Inc. is providing co-creation M&A services mainly for growth-phase listed companies by leveraging its business development and M&A experience, combined with the Group's DX expertise. The Company has begun offering DX support in the value-up phase for companies acquired by its clients, and is actively promoting the provision of services that leverage the comprehensive capabilities of the entire Scala Group.

As a result, in the Incubation Business as a whole, revenue decreased and income remained the same level year on year.

(Millions of yen unless otherwise indicated)

		First three months of FY6/25	First three months of FY6/26	Year-on-year change	
				Amount	%
Revenue		54	48	(5)	Down 10.1%
Segment income (IFRS and non- GAAP measures)	Before allocation of corporate expenses	(28)	(26)	2	—
	After allocation of corporate expenses	(28)	(28)	(0)	—

## (2) Financial Position

### Assets

Total assets amounted to 10,051 million yen at the end of the period under review, a decrease of 170 million yen over the end of the previous fiscal year. This was mainly attributable to decreases of 414 million yen in cash and cash equivalents and 314 million yen in other financial assets, which was partially offset by an increase of 481 million yen in trade and other receivables.

### Liabilities

Liabilities totaled 5,436 million yen, an increase of 49 million yen over the end of the previous fiscal year. This was mainly attributable to increases of 140 million yen in trade and other payables and 90 million yen in bonds and borrowings, which were partially offset by a decrease of 221 million yen in income taxes payable.

### Equity

Equity totaled 4,615 million yen, a decrease of 220 million yen over the end of the previous fiscal year. This was mainly attributable to a decrease of 232 million yen in retained earnings.

## (3) Consolidated Earnings Forecast and Other Forward-looking Statements

The Group maintains its consolidated earnings forecast for the fiscal year ending June 30, 2026 that was announced in the “Consolidated Financial Results for the Fiscal Year Ended June 30, 2025” on August 14, 2025.

## 2. Condensed Quarterly Consolidated Financial Statements and Notes

### (1) Condensed Quarterly Consolidated Statement of Financial Position

	(Thousands of yen)	
	FY6/25 (As of Jun. 30, 2025)	First quarter of FY6/26 (As of Sep. 30, 2025)
Assets		
Current assets		
Cash and cash equivalents	4,586,809	4,172,784
Trade and other receivables	734,481	1,216,435
Inventories	392,981	429,758
Income taxes receivable	5,082	4,965
Other current assets	180,981	158,260
Total current assets	5,900,336	5,982,204
Non-current assets		
Property, plant and equipment	298,045	354,447
Right-of-use assets	1,161,311	1,163,548
Goodwill	978,216	978,216
Intangible assets	83,803	85,186
Other financial assets	1,071,227	756,876
Deferred tax assets	725,551	727,679
Other non-current assets	4,472	3,834
Total non-current assets	4,322,628	4,069,789
Total assets	10,222,965	10,051,993
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	554,139	694,879
Bonds and borrowings	2,017,364	2,178,581
Lease liabilities	270,670	284,959
Income taxes payable	228,894	7,087
Other current liabilities	326,312	349,785
Total current liabilities	3,397,381	3,515,292
Non-current liabilities		
Bonds and borrowings	1,021,000	950,356
Lease liabilities	895,979	888,660
Other non-current liabilities	72,752	82,494
Total non-current liabilities	1,989,732	1,921,511
Total liabilities	5,387,113	5,436,804
Equity		
Equity attributable to owners of parent		
Share capital	1,794,904	1,795,107
Capital surplus	529,472	529,675
Retained earnings	2,621,910	2,389,603
Treasury shares	(299,968)	(299,968)
Other components of equity	157,643	168,129
Total equity attributable to owners of parent	4,803,961	4,582,547
Non-controlling interests	31,890	32,641
Total equity	4,835,851	4,615,189
Total liabilities and equity	10,222,965	10,051,993



**(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income****Condensed Quarterly Consolidated Statement of Income**

(Thousands of yen)

	First three months of FY6/25 (Jul. 1, 2024–Sep. 30, 2024)	First three months of FY6/26 (Jul. 1, 2025–Sep. 30, 2025)
Continuing operations:		
Revenue	1,848,285	1,863,459
Cost of sales	(942,744)	(1,021,104)
Gross profit	905,540	842,354
Selling, general and administrative expenses	(882,339)	(916,152)
Other income	8,114	1,225
Other expenses	(892)	(394)
Operating income (loss)	30,423	(72,966)
Finance income	749	4,340
Finance costs	(11,741)	(16,993)
Net income (loss) before tax	19,430	(85,619)
Income tax expense	(7,689)	1,639
Net income (loss) from continuing operations	11,740	(83,979)
Discontinued operations:		
Net income (loss) from discontinued operations	(59,799)	–
Net income (loss)	(48,058)	(83,979)
Net income (loss) attributable to:		
Owners of parent	(43,098)	(84,731)
Non-controlling interests	(4,959)	751
Net income (loss)	(48,058)	(83,979)
Earnings per share attributable to owners of parent		
Basic earnings (loss) per share (Yen)		
Continuing operations	0.55	(4.88)
Discontinued operations	(3.03)	–
Total	(2.48)	(4.88)
Diluted earnings (loss) per share (Yen)		
Continuing operations	0.55	(4.88)
Discontinued operations	(3.03)	–
Total	(2.48)	(4.88)

**Condensed Quarterly Consolidated Statement of Comprehensive Income**

(Thousands of yen)

	First three months of FY6/25 (Jul. 1, 2024–Sep. 30, 2024)	First three months of FY6/26 (Jul. 1, 2025–Sep. 30, 2025)
Net income (loss)	(48,058)	(83,979)
Other comprehensive income		
Items that will not be reclassified to net income or loss		
Financial assets measured at fair value through other comprehensive income	(12,575)	9,181
Items that may be reclassified to net income or loss		
Exchange differences on translation of foreign operations	(5,187)	1,204
Total other comprehensive income, net of tax	(17,763)	10,385
Comprehensive income	(65,821)	(73,593)
Comprehensive income attributable to:		
Owners of parent	(60,861)	(74,345)
Non-controlling interests	(4,959)	751
Comprehensive income	(65,821)	(73,593)

**(3) Condensed Quarterly Consolidated Statement of Changes in Equity**

First three months of FY6/25 (Jul. 1, 2024–Sep. 30, 2024)

(Thousands of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent
Balance as of Jul. 1, 2024	1,792,766	991,270	1,628,971	(299,966)	225,454	4,338,496
Net income (loss)	–	–	(43,098)	–	–	(43,098)
Total other comprehensive income	–	–	–	–	(17,763)	(17,763)
Comprehensive income	–	–	(43,098)	–	(17,763)	(60,861)
Dividends	–	(325,377)	–	–	–	(325,377)
Exercise of share acquisition rights	1,450	1,450	–	–	(39)	2,861
Forfeiture of share acquisition rights	–	24	–	–	(24)	–
Changes in ownership interest in subsidiaries	–	2,504	–	–	–	2,504
Total transactions with owners	1,450	(321,397)	–	–	(64)	(320,011)
Balance as of Sep. 30, 2024	1,794,217	669,873	1,585,873	(299,966)	207,626	3,957,623

	Non-controlling interests	Total equity
Balance as of Jul. 1, 2024	231,007	4,569,504
Net income (loss)	(4,959)	(48,058)
Total other comprehensive income	–	(17,763)
Comprehensive income	(4,959)	(65,821)
Dividends	–	(325,377)
Exercise of share acquisition rights	–	2,861
Forfeiture of share acquisition rights	–	–
Changes in ownership interest in subsidiaries	(44,458)	(41,954)
Total transactions with owners	(44,458)	(364,470)
Balance as of Sep. 30, 2024	181,588	4,139,211

First three months of FY6/26 (Jul. 1, 2025–Sep. 30, 2025)

(Thousands of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent
Balance as of Jul. 1, 2025	1,794,904	529,472	2,621,910	(299,968)	157,643	4,803,961
Net income (loss)	–	–	(84,731)	–	–	(84,731)
Total other comprehensive income	–	–	–	–	10,385	10,385
Comprehensive income	–	–	(84,731)	–	10,385	(74,345)
Dividends	–	–	(147,575)	–	–	(147,575)
Exercise of share acquisition rights	203	203	–	–	(5)	401
Share-based payment transactions	–	–	–	–	105	105
Total transactions with owners	203	203	(147,575)	–	100	(147,068)
Balance as of Sep. 30, 2025	1,795,107	529,675	2,389,603	(299,968)	168,129	4,582,547

	Non-controlling interests	Total equity
Balance as of Jul. 1, 2025	31,890	4,835,851
Net income (loss)	751	(83,979)
Total other comprehensive income	–	10,385
Comprehensive income	751	(73,593)
Dividends	–	(147,575)
Exercise of share acquisition rights	–	401
Share-based payment transactions	–	105
Total transactions with owners	–	(147,068)
Balance as of Sep. 30, 2025	32,641	4,615,189

**(4) Condensed Quarterly Consolidated Statement of Cash Flows**

(Thousands of yen)

	First three months of FY6/25 (Jul. 1, 2024–Sep. 30, 2024)	First three months of FY6/26 (Jul. 1, 2025–Sep. 30, 2025)
<b>Cash flows from operating activities</b>		
Net income (loss) before tax	19,430	(85,619)
Net income (loss) before tax from discontinued operations	(66,400)	–
Depreciation and amortization	76,386	88,536
Loss (gain) on sale and retirement of non-current assets	(5,000)	–
Loss (gain) on securities related to investment business	20,733	–
Finance income	(770)	(4,340)
Finance costs	11,599	16,993
Decrease (increase) in trade and other receivables	(12,215)	(124,606)
Increase (decrease) in trade and other payables	(52,409)	68,293
Decrease (increase) in inventories	(41,765)	(37,874)
Decrease (increase) in reinsurance assets	(42,258)	–
Increase (decrease) in insurance contract liabilities	21,450	–
Other	78,469	71,752
Subtotal	7,250	(6,864)
Interest and dividends received	1,671	4,099
Interest paid	(11,449)	(11,090)
Income taxes refund (paid)	(93,951)	(229,394)
Net cash provided by (used in) operating activities	(96,478)	(243,249)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(643,000)	–
Purchase of property, plant and equipment	(3,442)	(31,849)
Purchase of intangible assets	(6,193)	(6,347)
Proceeds from sale of intangible assets	5,000	–
Proceeds from sale of investment securities	98,424	–
Collection of loans receivable	900	1,000
Payments of leasehold and guarantee deposits	(15,120)	(10,397)
Proceeds from refund of leasehold and guarantee deposits	186,964	13
Net cash provided by (used in) investing activities	(376,465)	(47,581)

	(Thousands of yen)	
	First three months of FY6/25 (Jul. 1, 2024–Sep. 30, 2024)	First three months of FY6/26 (Jul. 1, 2025–Sep. 30, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	250,000
Proceeds from long-term borrowings	–	200,000
Repayments of long-term borrowings	(375,236)	(344,681)
Redemption of bonds	(20,000)	(20,000)
Repayments of lease liabilities	(46,115)	(72,333)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	2,861	401
Purchase of treasury shares of subsidiaries	(40,536)	–
Dividends paid	(292,370)	(136,660)
Dividends paid to non-controlling interests	(12,560)	–
Net cash provided by (used in) financing activities	(783,956)	(123,273)
Effect of exchange rate changes on cash and cash equivalents	(221)	78
Net increase (decrease) in cash and cash equivalents	(1,257,123)	(414,025)
Cash and cash equivalents at beginning of period	6,817,385	4,586,809
Cash and cash equivalents at end of period	5,560,262	4,172,784

Note: Cash flows from continuing operations and cash flows from discontinued operations are included in the above table.  
Cash flows from discontinued operations are described in “Notes to Condensed Quarterly Consolidated Financial Statements, Discontinued Operations.”

## **(5) Notes to Condensed Quarterly Consolidated Financial Statements**

### **Going Concern Assumption**

Not applicable.

### **Condensed Quarterly Consolidated Financial Statements**

#### **1. Material Accounting Policy Information**

The material accounting policies applied for the condensed quarterly consolidated financial statements for the period under review remain the same as significant accounting policies applied for the consolidated financial statements for the previous fiscal year.

It is noted that income tax expense for the period under review is determined based on the estimated annual effective tax rate.

#### **2. Significant Accounting Estimates and Judgments Involving Estimates**

The preparation of the condensed quarterly consolidated financial statements requires the management to make certain judgments, estimates, and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, revenues, and expenses. Actual results, however, could differ from these estimates.

These estimates and underlying assumptions are consistently reviewed. The effect of changes in accounting estimates is recognized in the reporting period in which the changes are made and in any future reporting periods affected.

The management has made estimates and judgments that have a material impact on the amounts reported in the condensed quarterly consolidated financial statements for the period under review in the same way as it did in the consolidated financial statements for the previous fiscal year.

### **Segment Information**

#### **(1) Overview of reportable segments**

The Group's reportable segments are components of the Group for which financial information disaggregated by similarity of nature of services that is available and are regularly reviewed to make decisions about allocations of corporate resources.

The businesses operated by Retool, Inc. and Leoconnect, Inc. (DX Business), SCSV-1 Investment Limited Partnership (Incubation Business), and Nihon Pet Small-amount Short-term Insurance Company, which were classified as discontinued operations in the previous consolidated fiscal year, have been excluded from the segment information for the first three months of the fiscal year ended June 30, 2025.

As Nihon Pet Small-amount Short-term Insurance Company was reclassified into discontinued operations, the Financial Business has been excluded from the reportable segments for the first three months of the fiscal year ended June 30, 2025.

From the first three months of the fiscal year ending June 30, 2026, the EC Business, a reportable segment, is renamed the TCG Business. There is no change to the details of the business.

- The DX Business promotes digital transformation (DX) through IT, AI, and IoT and proactively facilitates cooperation with different industries and partners who have expertise in relevant technology, with the primary objective of establishing new businesses and services, redefining existing businesses, and speeding up regrowth to promote DX inside and outside Japan. This business also provides SaaS/ASP services using IT (Web, phone, fax, SMS related technologies)/AI/IoT technologies to meet customer needs flexibly and quickly.
- The HR Business offers recruiting support for new graduates and mid-career employees focusing on physical education students and professional athletes.
- The TCG Business operates Yuyu-Tei, a reuse EC site for buying and selling trading cards games (TCG) for battle-type games, which also contains game walkthrough pages.
- The Incubation Business engages in M&A and alliance with other companies. It also provides support for new

business development with private companies in coordination with local governments across the nation, and works on increasing value and engagement of business investments.

(2) Information related to revenue, income or loss, and other items for each reportable segment

First three months of FY6/25 (Jul. 1, 2024–Sep. 30, 2024)

(Thousands of yen)

	Reportable segment					Adjustments (Note 1)	Amounts shown on condensed quarterly consolidated statement of income (Note 2)
	DX Business	HR Business	TCG Business	Incubation Business	Subtotal		
Revenue							
Sales to external customers	1,042,383	189,342	562,335	54,224	1,848,285	–	1,848,285
Inter-segment sales and transfers	13,121	–	–	–	13,121	(13,121)	–
Total	1,055,504	189,342	562,335	54,224	1,861,406	(13,121)	1,848,285
Segment income (loss)	105,015	3,155	78,834	(28,279)	158,725	(128,302)	30,423
Finance income	–	–	–	–	–	–	749
Finance costs	–	–	–	–	–	–	(11,741)
Net income (loss) before tax	–	–	–	–	–	–	19,430

Notes: 1. The (128,302) thousand yen adjustment to segment income includes the elimination of inter-segment transactions and the corporate expenses that are not allocated to each reportable segment.

2. Segment income (loss) is adjusted to be consistent with operating income (loss) presented in the consolidated statement of income.

3. Corporate expenses are allocated to each reportable segment based on a rational basis.

4. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

First three months of FY6/26 (Jul. 1, 2025–Sep. 30, 2025)

(Thousands of yen)

	Reportable segment					Adjustments (Note 1)	Amounts shown on condensed quarterly consolidated statement of income (Note 2)
	DX Business	HR Business	TCG Business	Incubation Business	Subtotal		
Revenue							
Sales to external customers	1,035,006	193,145	586,545	48,761	1,863,459	–	1,863,459
Inter-segment sales and transfers	3,368	–	–	–	3,368	(3,368)	–
Total	1,038,374	193,145	586,545	48,761	1,866,827	(3,368)	1,863,459
Segment income (loss)	26,395	(8,698)	63,543	(28,475)	52,764	(125,730)	(72,966)
Finance income	–	–	–	–	–	–	4,340
Finance costs	–	–	–	–	–	–	(16,993)
Net income (loss) before tax	–	–	–	–	–	–	(85,619)

Notes: 1. The (125,730) thousand yen adjustment to segment income includes the elimination of inter-segment transactions and the corporate expenses that are not allocated to each reportable segment.

2. Segment income (loss) is adjusted to be consistent with operating income (loss) presented in the consolidated statement of income.

3. Corporate expenses are allocated to each reportable segment based on a rational basis.

4. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.



## Discontinued Operations

The Company transferred all shares of its consolidated subsidiaries Retool, Inc. and Nihon Pet Small-amount Short-term Insurance Company, which have been classified as discontinued operations, and liquidated Leoconnect, Inc. and SCSV-1 Investment Limited Partnership in the fiscal year ended June 30, 2025.

Capital gains/losses from the transfer of the shares were recorded in net income (loss) from discontinued operations.

### (1) Operating results of discontinued operations

		(Thousands of yen)
	First three months of FY6/25 (Jul. 1, 2024–Sep. 30, 2024)	First three months of FY6/26 (Jul. 1, 2025–Sep. 30, 2025)
Net income or loss from discontinued operations		
Revenue	593,164	–
Expenses	(659,564)	–
Net income (loss) before tax from discontinued operations	(66,400)	–
Income tax expense	6,601	–
Net income (loss) from discontinued operations	(59,799)	–

### (2) Cash flows from discontinued operations

		(Thousands of yen)
	First three months of FY6/25 (Jul. 1, 2024–Sep. 30, 2024)	First three months of FY6/26 (Jul. 1, 2025–Sep. 30, 2025)
Cash flows from discontinued operations		
Cash flows from operating activities	(57,430)	–
Cash flows from investing activities	94,580	–
Cash flows from financing activities	(61,749)	–
Total	(24,559)	–

## Material Subsequent Events

Not applicable.

*This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with International Financial Reporting Standards (IFRS), for the convenience of readers who prefer an English translation.*