Livesense Inc. (TSE Standard Market: 6054)

FY2026 2nd Quarter Financial Results

August 14, 2026

Executive Summary

Quarterly Performance

Net Sales

983 million yen (YoY -374 million yen / QoQ +1 million yen)

Adjusted EBITDA

-118 million yen (YoY -10 million yen / QoQ -68 million yen)

Revenue decreased due to a deliberate reduction in projects in the Part-time Job Domain.
In light of progress made in improving profitability and the current profit level, the Company is promoting new structural reforms aimed at achieving profitability.
The "Medium-term Management Plan 2025-2027" has been withdrawn.

Progress during Current Period

Machbaito

The modification of terms and reduction of transactions for low-profit projects are progressing as planned. On the other hand, the number of applications decreased more than expected. The Company shifted away from the growth strategy it had initially envisioned.

Tenshoku Draft

Key metrics, including branded search volume, improved through brand communication,
UX improvements, and other initiatives.
The Company established a new company to support technical public relations.

Tenshoku Kaigi/IESHIL

The Company strengthened its customer acquisition base by expanding content utilizing proprietary data and AI.

Quarterly Results

(millions of yen)

	2Q			2Q cumulative total			Progress towards financial forecasts
	FY2025	FY2026	YoY	FY2025	FY2026	YoY	
Net sales	1,357	983	-374	2,935	1,965	-970	2,300(85.4%)
Part-time job domain	889	445	-444	1,786	895	-890	-
Career domain	424	445	21	827	927	100	-
Real estate domain *1	43	92	49	321	141	-179	-
Adjusted EBITDA *2	-107	-118	-10	-201	-167	34	-195
Operating income	-110	-119	-8	-211	-171	39	-200
Ordinary income	-75	-119	-44	-135	-168	-32	-200
Quarterly net income attributable to owners of parent	-122	-125	-2	-211	-178	33	-210

*1 Including the results of consolidated subsidiary Phil Life Inc.

*2 Adjusted EBITDA: Operating income + depreciation + amortization of goodwill + stock-based compensation + M&A-related expenses (see p.45 for details)

1. Company Profile

1. Our Business
2. FY2026 Policy

1. Company Profile

Philosophy

Happiness Begetting Happiness.

Human beings feel their greatest happiness when they are able to bring happiness to others. This represents our view of the fundamental way in which human beings find happiness, and it is a core value that LIVESENSE upholds. Let's bring happiness to our customers through our business, and in doing so, find happiness ourselves. That sentiment is embodied in the phrase "Happiness Begetting Happiness."

Vision

Invent the next common.

Creating the next common of the future and embedding it in society. The starting point lies in the questions hidden within common sense and everyday life. We question familiar inconveniences and industry conventions and transform them into forms that are better suited to our times. We will continue to take on challenges to realize the next common.

Company Name	Livesense Inc.	President and Representative Director, Executive Officer	Taichi Murakami
Established	February 8, 2006	Listed Market	TSE Standard [Securities Code: 6054]
Number of Employees [Non-consolidated]	241 Full-time employees [as of late March 2026]	Consolidated Subsidiaries	Fill Life Inc. Communication Draft, Inc. (established in July 2026)

Basic Philosophy

We will view structural distortions preventing optimal choices as social issues to be solved with technology.

Three business themes based on basic philosophy

System Innovation through DX

Improve convenience and efficiency by updating old system and solving issues and distortions in each field

High Transparency

Realize society where better choices can be made by eliminating asymmetry of information

Respect for Humanity

Matching based on diverse preferences and values for more satisfying choices

Our Business

Part-time Job Domain	Career Domain			Real Estate Domain
Part-time Job Search Site	Career Change Service for IT Engineers	Job Review Site	Interview Optimization Cloud	Real Estate Information Service
マッハバイト	転職 DRAFT	転職会議	batonn	イエシル IESHiL
By leveraging a proprietary display algorithm and diverse pricing plans, the site enables efficient part-time job searching and hiring.	Supports IT engineers' salary increases and career building through 'Scout' (pre-set salary/mission) and 'Agent' support.	Features reviews on company reputations and salaries to eliminate information asymmetry and mismatches in career changes.	Enhances interview efficiency and hiring power through AI-driven summaries, preventing mismatches and strengthening attraction.	Facilitates satisfying pre-owned condo transactions by providing realistic data (asset value, environment) and advisor support.
System Innovation through DX	High Transparency Respect for Humanity	High Transparency	System Innovation through DX	High Transparency

Part-time Job Search Site

By leveraging a proprietary display algorithm, diverse pricing plans that include performance-based options, and an advertising-driven customer attraction platform, the site enables efficient part-time job searching and hiring.

Realize efficient part-time job search and hiring for job seekers and hiring companies

Job seeker

Students, homemakers, part-timers, etc.

Fast and personalized job search

- Algorithm that prioritizes job listings matching individual preferences

Applications / Hiring

Highly cost-effective hiring

- Diverse pricing plans
- Advertising-based customer attraction tailored to hiring budgets and needs

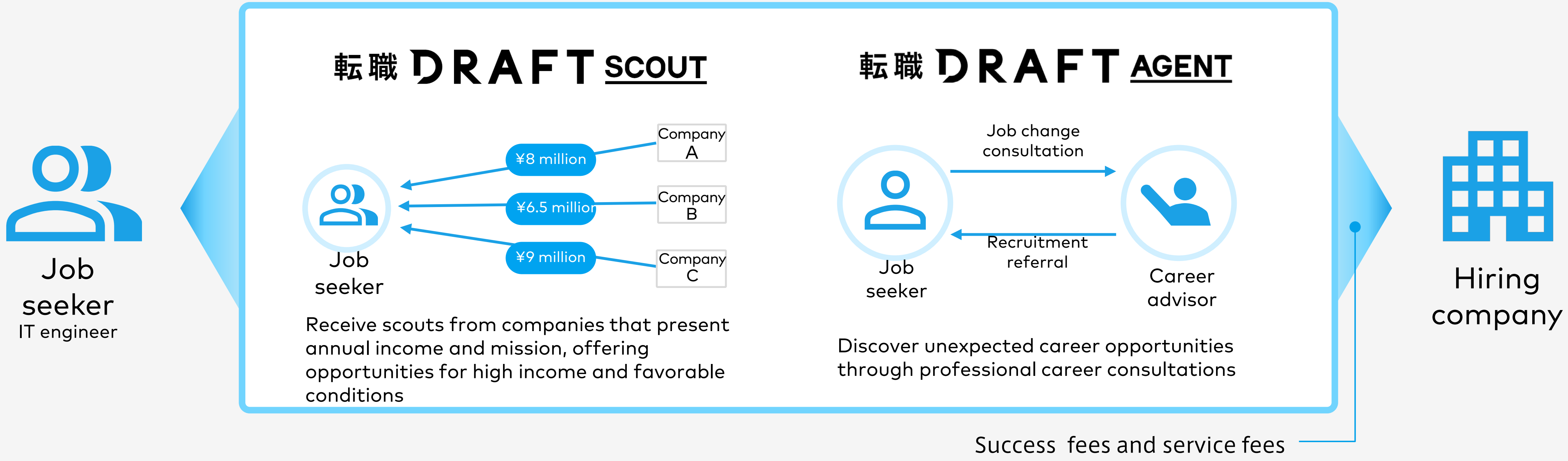
Hiring company

Restaurants, retail shops, security companies, etc.

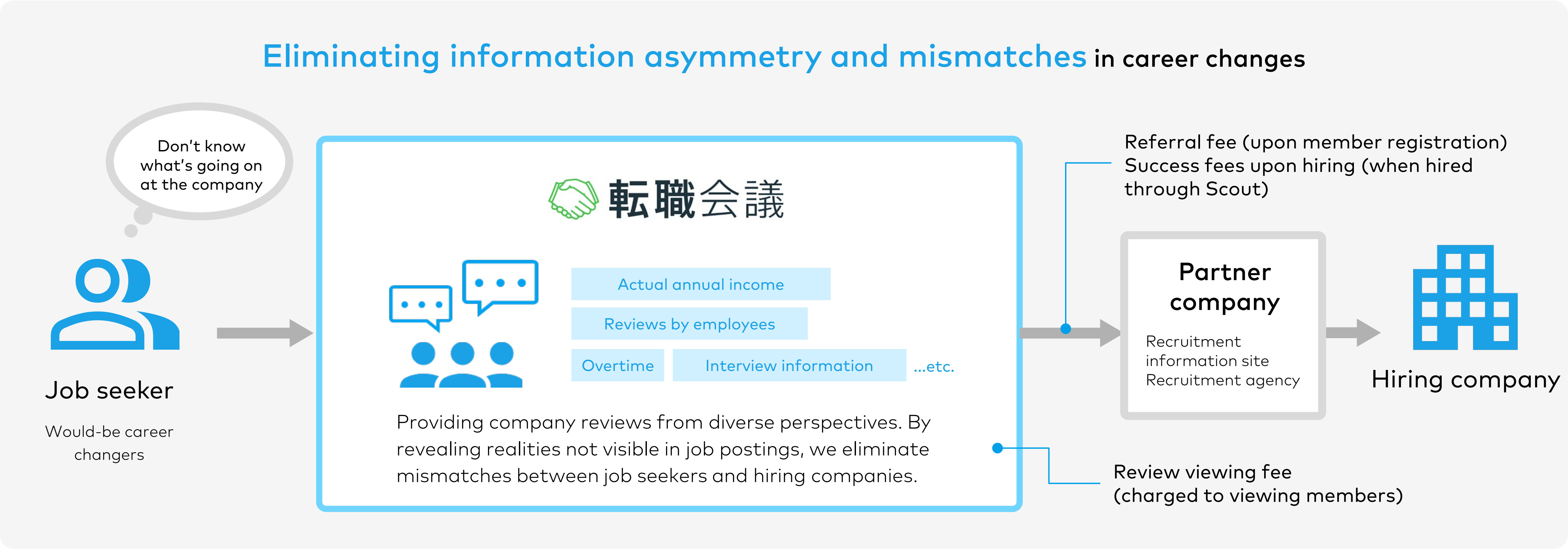
Success fee upon hiring
(For pay-per-hire models. Fees occur upon posting for pay-per-post models)

The service supports IT engineers in increasing annual income and building careers through Scout, which presents annual salary and mission up front, and Agent, which enables consultation with advisors knowledgeable about the industry.

Supporting IT engineers in building their careers through two approaches: Scout and Agent



The site provides over 5.5 million* reviews covering company reputation, annual income, and other insights. It aims to eliminate information asymmetry and mismatches in career changes.



*As of January 2026

By visualizing interviews through video recording and automatic transcription, and utilizing highlight videos and AI-based summaries, we prevent mismatches in hiring, strengthen candidate attraction, and enhance companies' recruitment capabilities.

Eliminating inefficiency and dependence on individuals in hiring interviews to enhance companies' recruitment capabilities

Conventional Job Interviews

1st / 2nd / Final

- Insufficient handover leads to repeated questions in subsequent interviews
- Evaluations are not aligned among interviewers

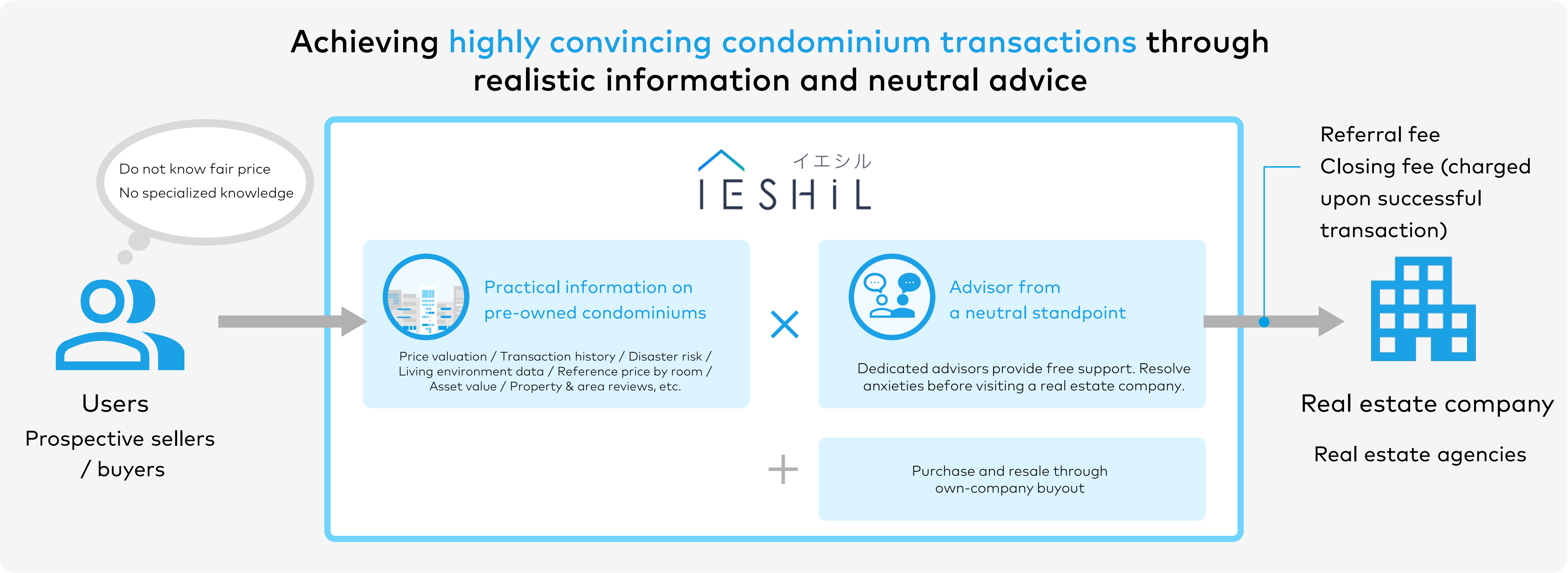
batonn

- AI-based summarization
- Highlights and key point extraction

1st → 2nd → Final

Efficiently hand over interview key points and evaluations, enabling more in-depth interviews as the process progresses

Achieving highly convincing pre-owned condominium transactions through realistic information (e.g., asset value, living environment) and advisor support. We also conduct purchase and resale businesses.



1. Company Profile

While advancing the Medium-Term Business Plan, achieve quarterly profit by improving profitability.

FY2026 Policy

- Improvement of Profitability
- Advancement of the Medium-Term Business Plan* (Strengthening of Branding / Creation of high-retention businesses)

* Following the withdrawal of the "Medium-Term Management Plan 2025-2027," it is hereafter referred to as the "Medium-Term Business Plan."

Change in policy at Machbaito to improve profitability. For batonn, added policy aimed at market development.

Domain	Service	Medium-Term Business Plan (FY2025 Policy)	FY2026
Part-time Job Domain	マッハバイト	· Strengthening the Customer base · Strengthening Customer Acquisition Through New Brand Establishment	NEW Shift to a Profitable Structure Ongoing Creation of new experiences through "Data x Speed"
Career Domain	転職 DRAFT	· Increase in Users Through Brand Establishmen · Broadening Target Segments by Expanding Recruitment Channels	Ongoing Brand communication centered on career building/survival strategy Ongoing Broadening hiring opportunities through improved service experience
	転職会議	· Broadening user base through content expansion · Broadening of monetization points	Ongoing Content Expansion through Review Assets Combined with AI Ongoing Launch of Scouting Service
	batonn	· Strengthening of marketing and sales to achieve PMF	Ongoing Acceleration of customer acquisition through organizational strengthening NEW Development of new products
Real Estate Domain	IESHiL	· Increase in number of users through expansion of content and service areas · Broadening of monetization points by leveraging customer base	Ongoing Increase in number of users through expansion of content and service areas Ongoing Broadening of monetization points by leveraging customer base

Significantly changed to customer composition to improve profitability. Development of features that contribute to branding is also ongoing.

Medium-Term Business Plan (FY2025 Policy)	FY2026 Policy
Strengthening the Customer base Expand share of dealings with existing major companies through increased customer attraction driven by advertising investment. In parallel, expand business by developing job listings across a wide range of industries and occupations, focusing on large and medium-sized companies.	**NEW Shift to a Profitable Structure** Review policy for broadening customer base; focus on high-profit projects to advance new development and expansion of business. For projects with low profitability, amend terms or reduce business scale. Complete the shift to a profitable business structure by the first half of FY2026, including optimization of advertising and operations.
Strengthening Customer Acquisition Through New Brand Establishment Shorten the time required for job seekers to start work by streamlining job search, job applications, and the hiring process of companies and stores. Promote branding centered on speed, grounded in new experiences.	**Ongoing Creation of new experiences through "Data x Speed"** Work to revamp the user experience to establish a brand centered on speed. Promote the development of mechanisms and functions that utilize data for faster, more efficient part-time job discovery. Place large-scale promotions temporarily on hold.

Continue the policies of the Medium-Term Business Plan. Increase matching while advancing brand establishment.

Medium-Term Business Plan (**FY2025** Policy)	FY2026 Policy
Increase in Users Through Brand Establishment Extend the concept from specialized "job change service" for IT engineers to "service that enables career building." Strengthen exposure through media outreach, participation in events, etc.	Ongoing **Brand Communication Centered on Career Building / Survival Strategy** Communication of the brand, with 'career building' and 'survival strategy' as core messages to IT engineers.
Broadening Target Segments by Expanding Recruitment Channels Through expansion of our recruitment services, broaden the target segment to include job seekers who would not have used scouting services alone, while also broadening the target segment to system integration/contract development firms and non-IT companies.	Ongoing **Increased Matching through Expansion and Improvement of Services** Acquisition of new hiring companies and job seekers by broadening the corporate base, developing new services, etc. In addition, improve matching (number of successful hires and hiring success rate) through AI-driven UX enhancements and eliminating nomination bias and other opportunity losses.

Accelerate improvement and expansion of service value through AI. Develop new products to expand the market for batonn.

Medium-Term Business Plan (**FY2025** Policy)		FY2026 Policy
転職会議	Broadening User Base through Content Expansion Launch of Scouting Service	**Ongoing — Content Expansion through Review Assets with AI** Expand content leveraging generative AI based on reviews and associated data to broaden the user base. Aim to release multiple products and attract traffic during the year. **Ongoing — Enhancement of the Scouting Service Experience** Increase number of hires by reducing user burden and improving matching accuracy.
batonn	Strengthening of marketing and sales to achieve PMF	**Ongoing — Acceleration of Customer Acquisition through Organizational Strengthening** Expand sales and marketing staff to accelerate customer acquisition. Achieve PMF within the year. **NEW — Development of New Products** Develop new AI-native services to expand target markets. Aim to release a prototype during FY26.

Grow user base by expanding content and coverage areas. Simultaneously, leverage the customer base to create new monetization opportunities.

Mid-Term Plan (FY2025 Strategy)	FY2026 Strategy
User Growth through Content & Area Expansion Content Expansion: Expand content for prospective buyers, building on existing living environment data such as condo price ranges by room type and disaster risk information. Area Expansion: Expand listing coverage from the current Tokyo metropolitan area (1 city, 3 prefectures) to nationwide.	Ongoing **Content Expansion Through AI — Priority Focus** Strengthen AI-driven content generation and data collection to improve comprehensiveness and accuracy of living environment information. Enhance value for prospective buyers to drive further traffic and user growth. Geographic expansion is planned for the following fiscal year and beyond.
Expanding Monetization Using Customer Base Leverage IESHIL's customer base to expand monetization methods, including buy-and-resell operations.	Ongoing **New Product Development Targeting Revenue from Next FY Onward** Develop new products leveraging IESHIL's member base and customer base, targeting revenue contribution from the next fiscal year onward.

Prioritizing profitability improvement. Revenue decline due to structural transformation of the Part-time Job Domain.
A loss is expected in H1, with the target of achieving quarterly profitability in H2.

(Millions of JPY)

	FY2025 H1 Actual	FY2026 H1 Forecast	YoY	Change (¥)
Net Sales	2,935	2,300	-21.6%	- 635
Adjusted EBITDA	- 201	- 195	-	+5
Operating Income	- 211	- 200	-	+11
Ordinary Income	- 135	- 200	-	- 64
Profit Attributable to Owners of Parent (Interim)	- 211	- 210	-	+1

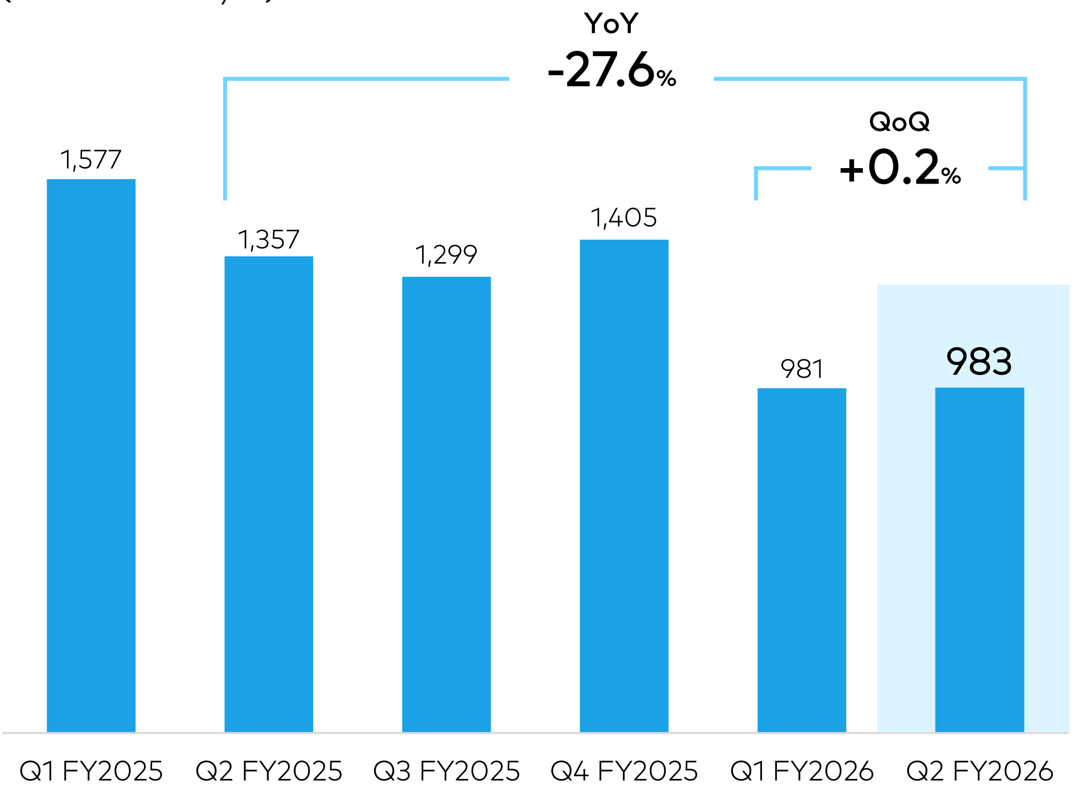
- Given the significant revision of the revenue structure, guidance is disclosed for H1 only. Full-year guidance will be determined based on progress in the revenue restructuring.
- The Part-time Job Domain is streamlining listings and cost structure. A significant revenue decline is expected, but profitability will improve.
- Both Tenshoku Draft and Tenshoku Kaigi in the career segment are expected to grow revenue.
- No large-scale promotional investments will be made.

2. Financial Results

While net sales remained flat QoQ, Adjusted EBITDA's negative margin widened.

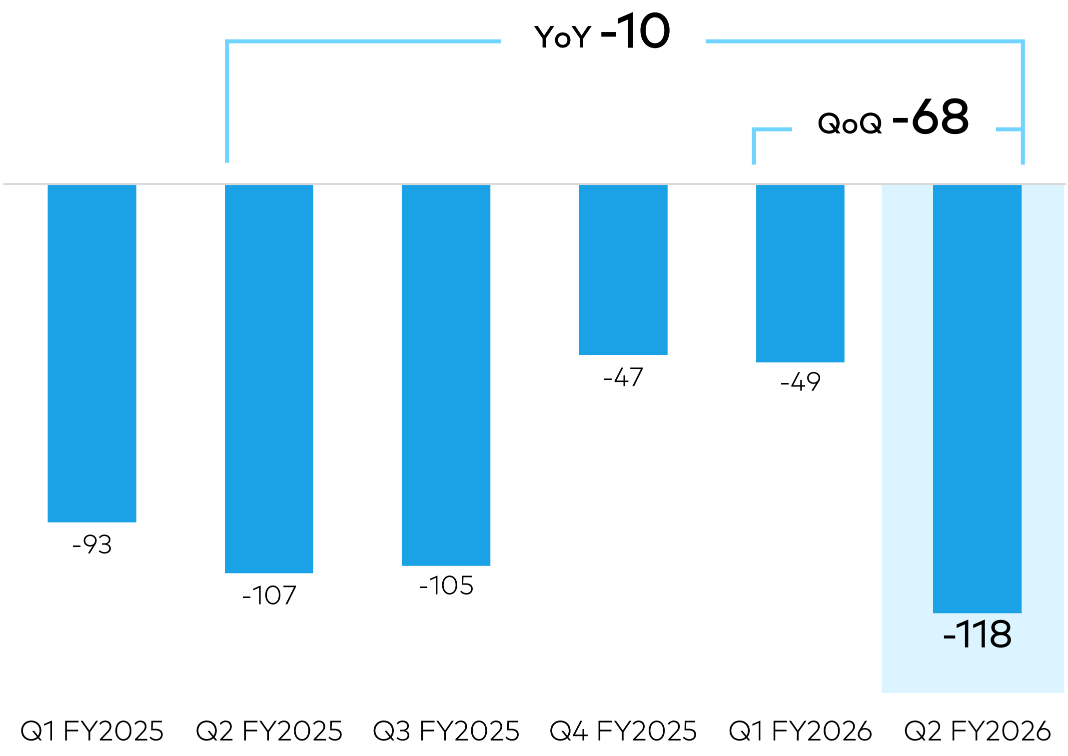
Net Sales

(Unit: millions of yen)



Adjusted EBITDA

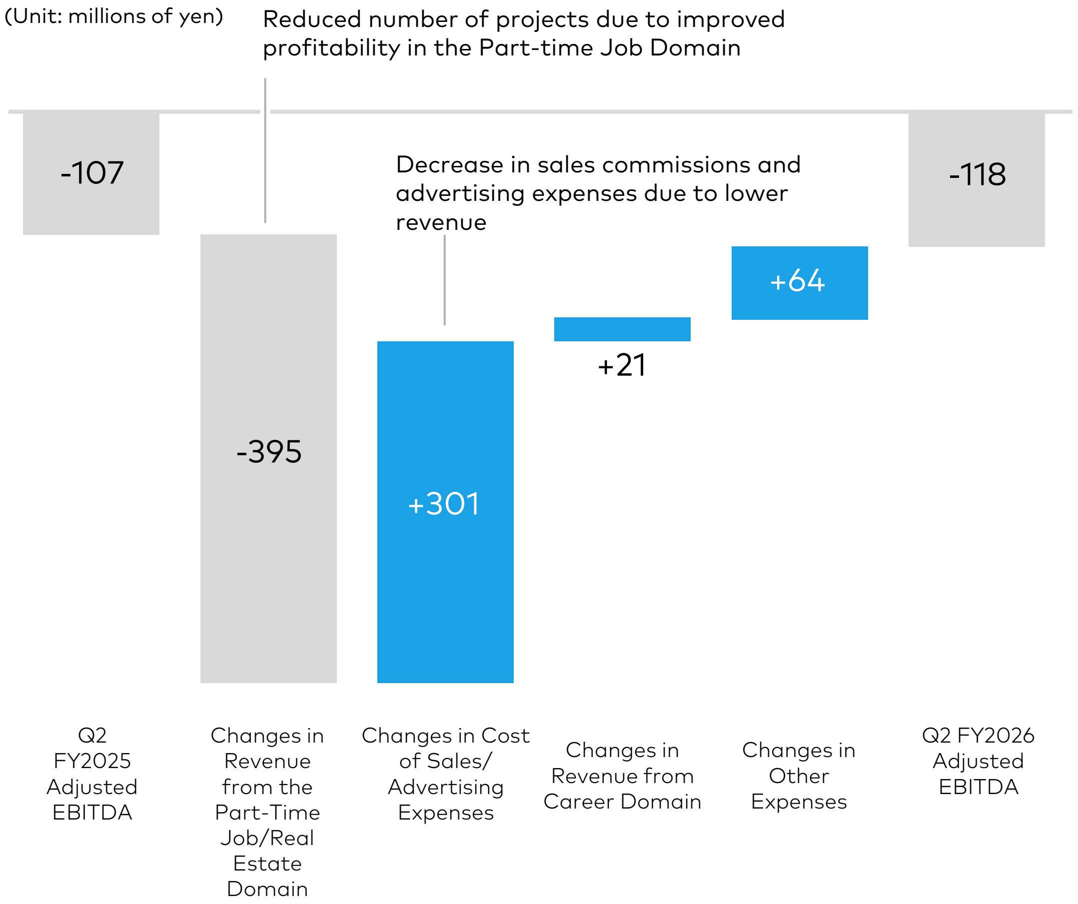
(Unit: millions of yen)



YoY, the decrease in revenue was offset by cost reductions, keeping losses at roughly the same level. QoQ, the decrease in revenue and increase in expenses in the Career Domain resulted in a loss of 68 million yen.

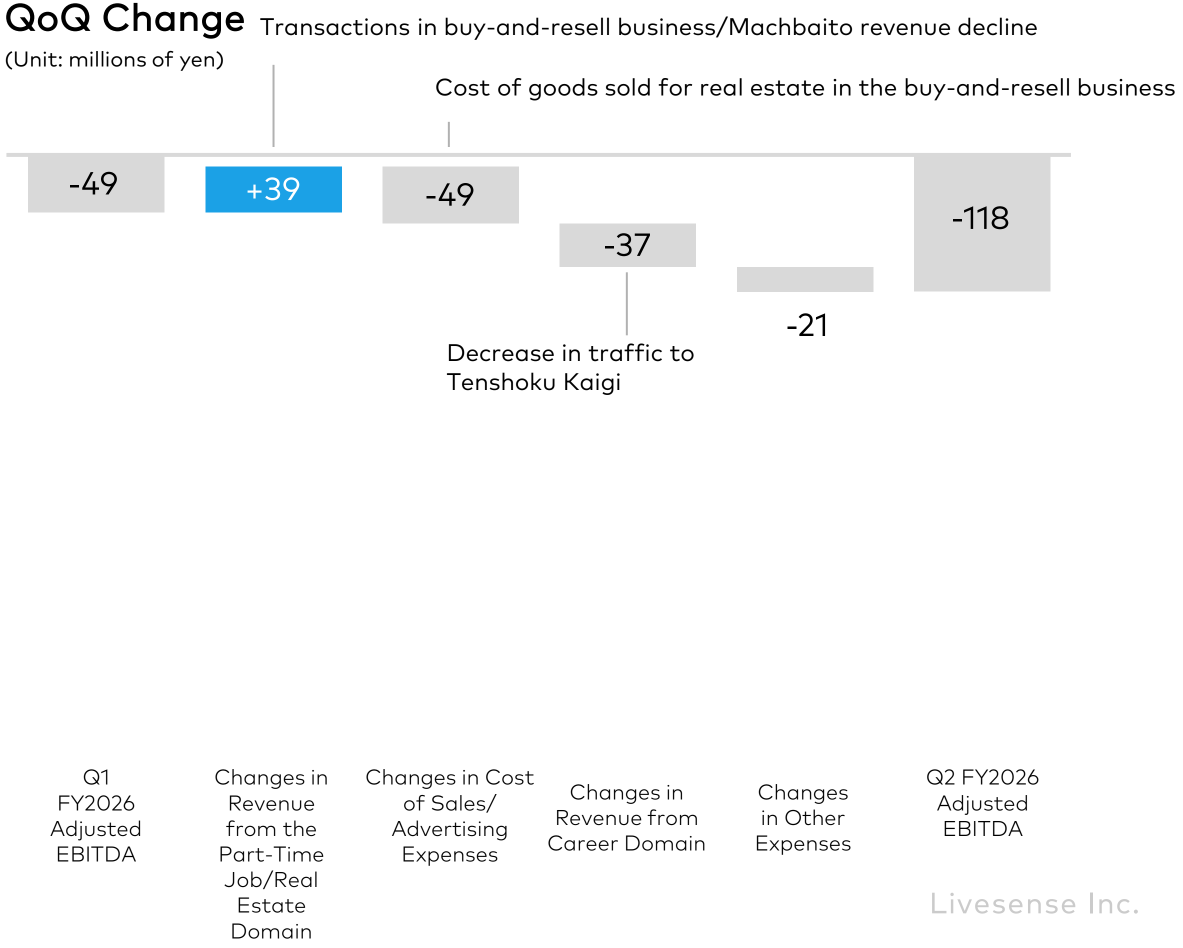
YoY Difference

(Unit: millions of yen)

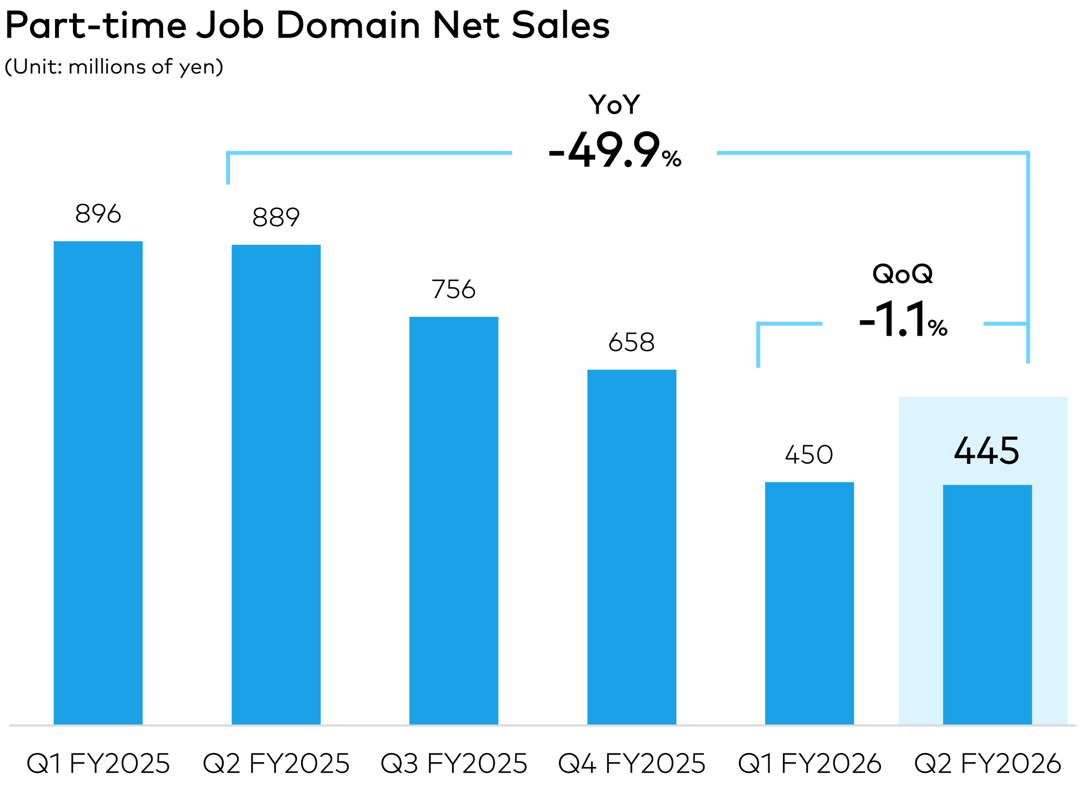


QoQ Change

(Unit: millions of yen)



YoY, revenue decreased due to a deliberate reduction in projects. QoQ, however, the reduction in projects caused applications to decrease more than expected, resulting in flat net sales.



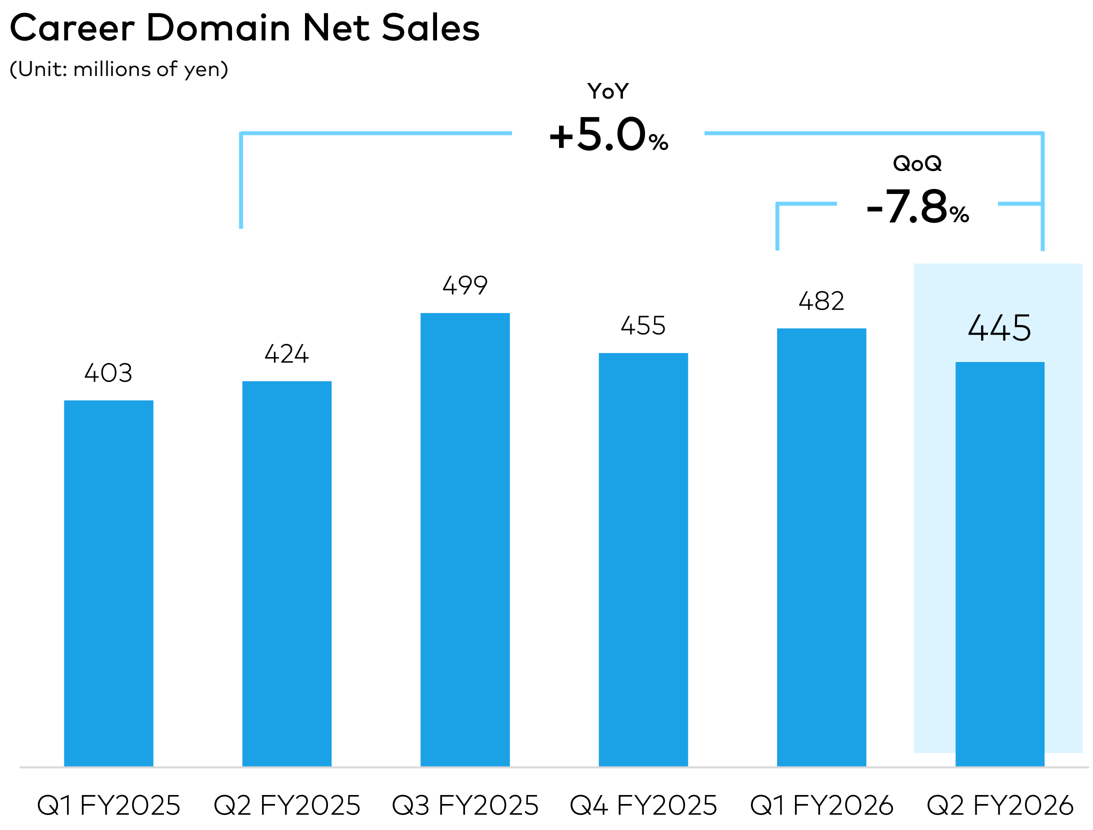
YoY: Intentional reduction of projects through structural transformation

Revenue decreased due to the modification of terms and reduction of transactions for low-profit projects, driven by efforts toward a structural shift to a profit-oriented business model.

QoQ: The number of applications decreased more than expected due to a rebound effect from project reductions.

The reduction in the number of projects led to a greater-than-expected decrease in applications, and even high-profit projects saw reduced budgets. Growth fell short of expectations, resulting in flat net sales.

YoY, revenue increased due to growth in Tenshoku Draft. QoQ, however, revenue decreased by 37 million yen as traffic to Tenshoku Kaigi returned to the previous year's level.



YoY: Growth of Tenshoku Draft

Revenue increased due to growth in Tenshoku Draft's Scouting service and Recruitment service.

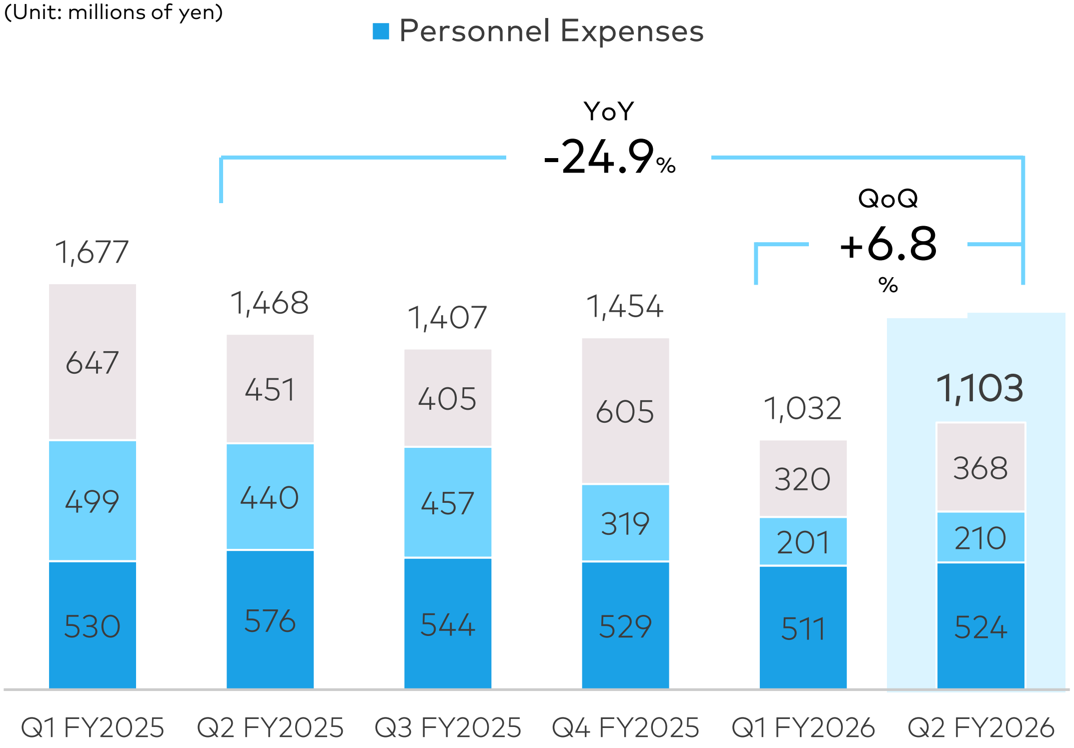
QoQ: Decrease in referral sales due to declining traffic to Tenshoku Kaigi

As traffic to Tenshoku Kaigi returned to the previous year's level, referral sales decreased.

YoY, the effects of cost reductions implemented in Q1 FY2026 continued. QoQ, expenses temporarily increased due to the recognition of real estate cost of sales, among other factors.

Cost Trend

(Unit: millions of yen)



YoY: Cost reduction through organizational restructuring and advertising adjustments

Decreased due to restructuring of the Machbaito organization and advertising adjustments in response to reduced revenue

QoQ: Temporary increase in cost of goods sold for real estate and other factors

Cost of goods sold for real estate was recognized in connection with settlements in the buy-and-resell business.

3. 2Q FY2026 Progress

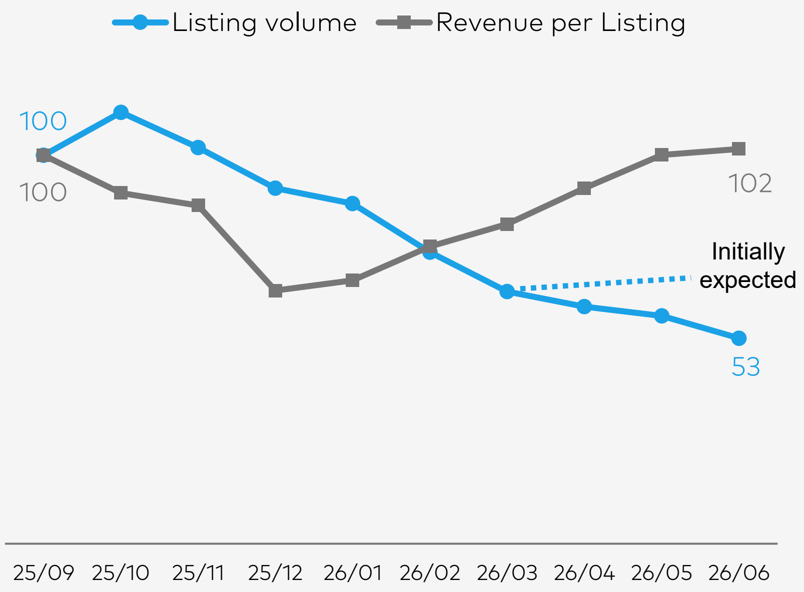
"Profitability improvement" is progressing more slowly than planned. The "Medium-term Management Plan*" is progressing primarily through Tenshoku Draft.

FY2026 Policy		Policy Progress
Profitability Improvement	×	**Machbaito's Growth and Profitability Improvements Fell Short of Plan** Machbaito: Modification of terms and reduction of transactions is progressing as planned. On the other hand, the number of applications decreased more than expected. As a result, some customers reduced their budgets, and the targeted sales growth was not achieved. Tenshoku Draft: Improved advertising acquisition efficiency and user experience led to increased registrations and active users.
Advancement of the Medium-term Management Plan* (Strengthening of Branding Creation of High-Retention Business)	✓	**Branding Promotion Centered Around Tenshoku Draft** Tenshoku Draft: Continued brand communication. In July, the Company established a new company to provide technical public relations support. It aims to contribute to revenue from FY2027 onward and to expand the Company's position in the IT engineer Career Domain. Tenshoku Kaigi/IESHIL: Strengthened the customer acquisition base by expanding content utilizing proprietary data and AI

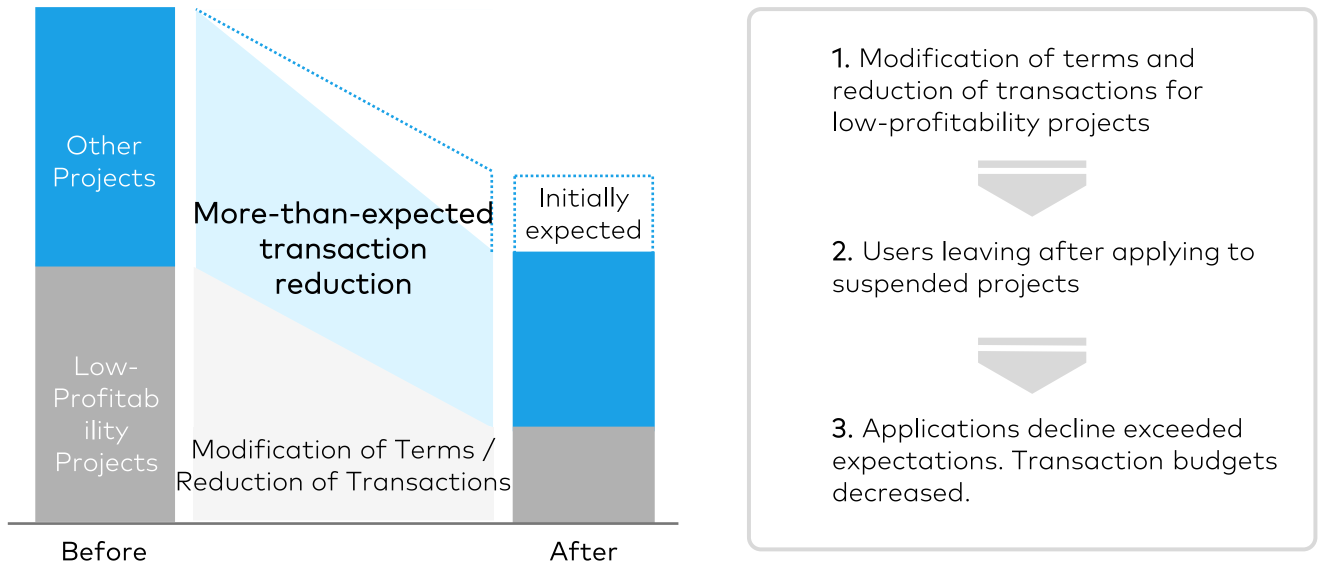
*Following the withdrawal of the "Medium-term Management Plan 2025-2027," it will hereafter be referred to as the "former Medium-term Management Plan."

Modification of terms and reduction of transactions is progressing as planned. On the other hand, the number of applications decreased more than expected. As overall referral volume declined, budget cuts occurred in other projects as well. Results did not reach the initially expected levels.

Listing volume /Revenue per listing*



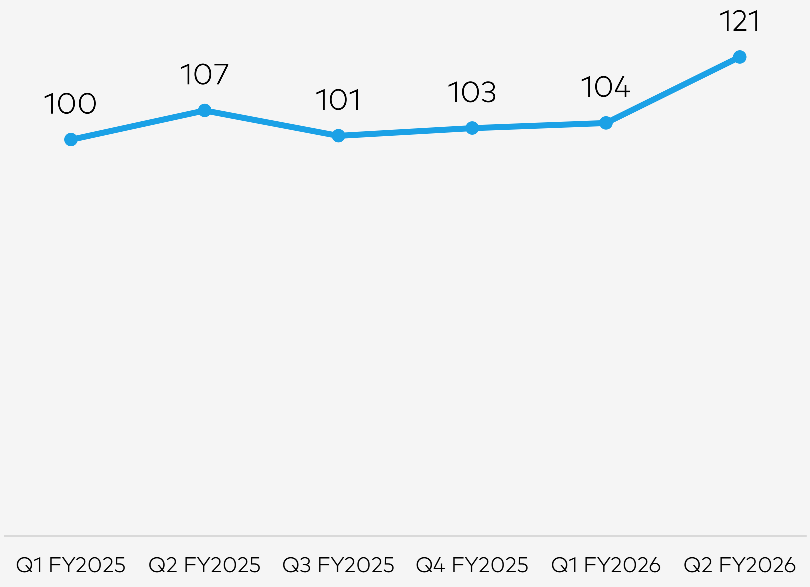
*Figures are indexed with September 2025 actuals set to 100



The modification of terms and reduction of transactions for low-profit projects are progressing as planned. On the other hand, the number of applications decreased more than expected due to users leaving after applying for suspended job postings. Due to the decline in overall referral volume, some customers reduced their transaction budgets.

Continued Branding through media outreach and community support. Branded search volume has increased since the end of last year.

Branded Search Volume*



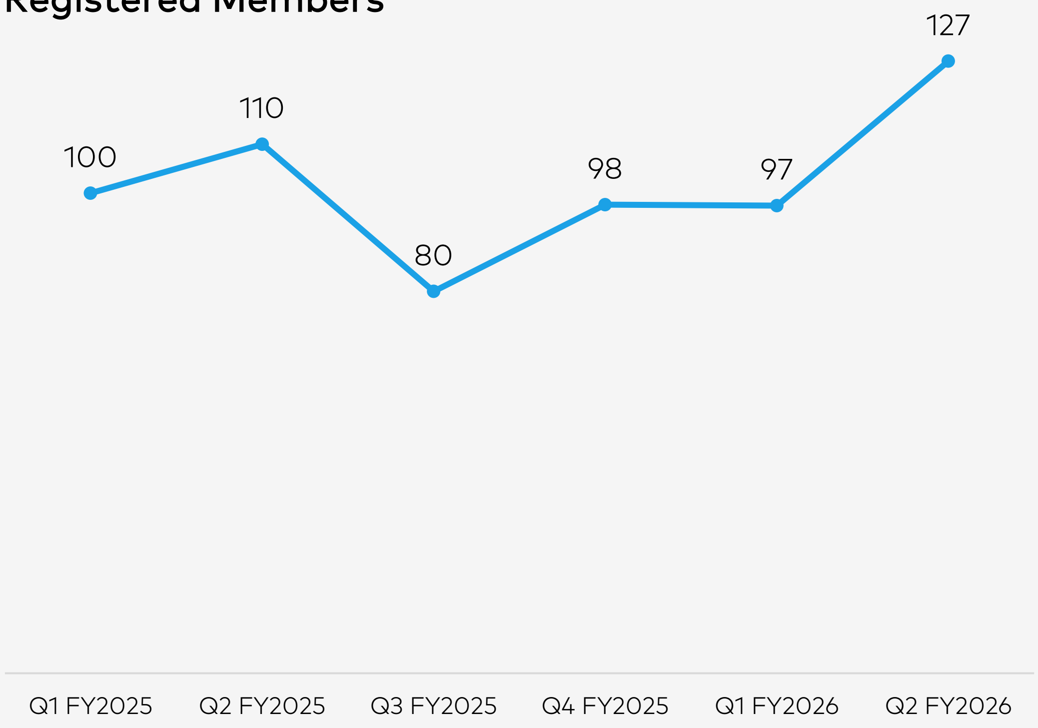
"Tenshoku Draft Beer," with more than 6,700 cans provided to date, has been redesigned. While supporting IT engineer communities through conferences and study groups, the Company also aims to raise awareness through social media and other channels.

On the "Udemy" service site, the Company has launched a special page supervised by Tenshoku Draft.
Introduced courses that help IT engineers advance their careers

*Total branded search volume for each quarter. Expressed as a relative value with the Q1 FY2025 value set to 100.

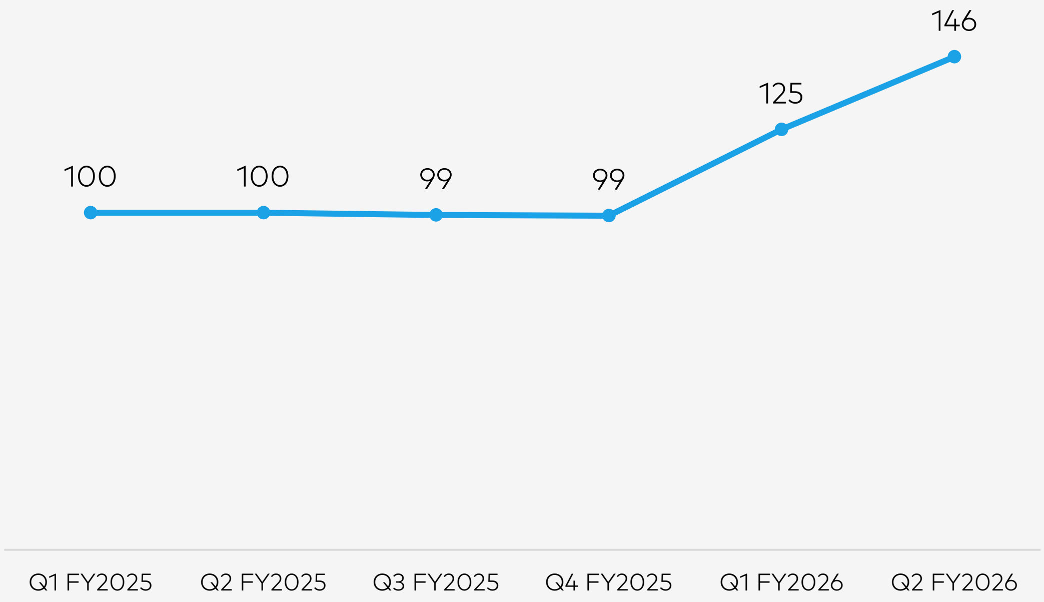
In addition to the effects of Branding, improved advertising acquisition efficiency and UX have led to improvement in leading indicators such as registered members and active users.

Registered Members*



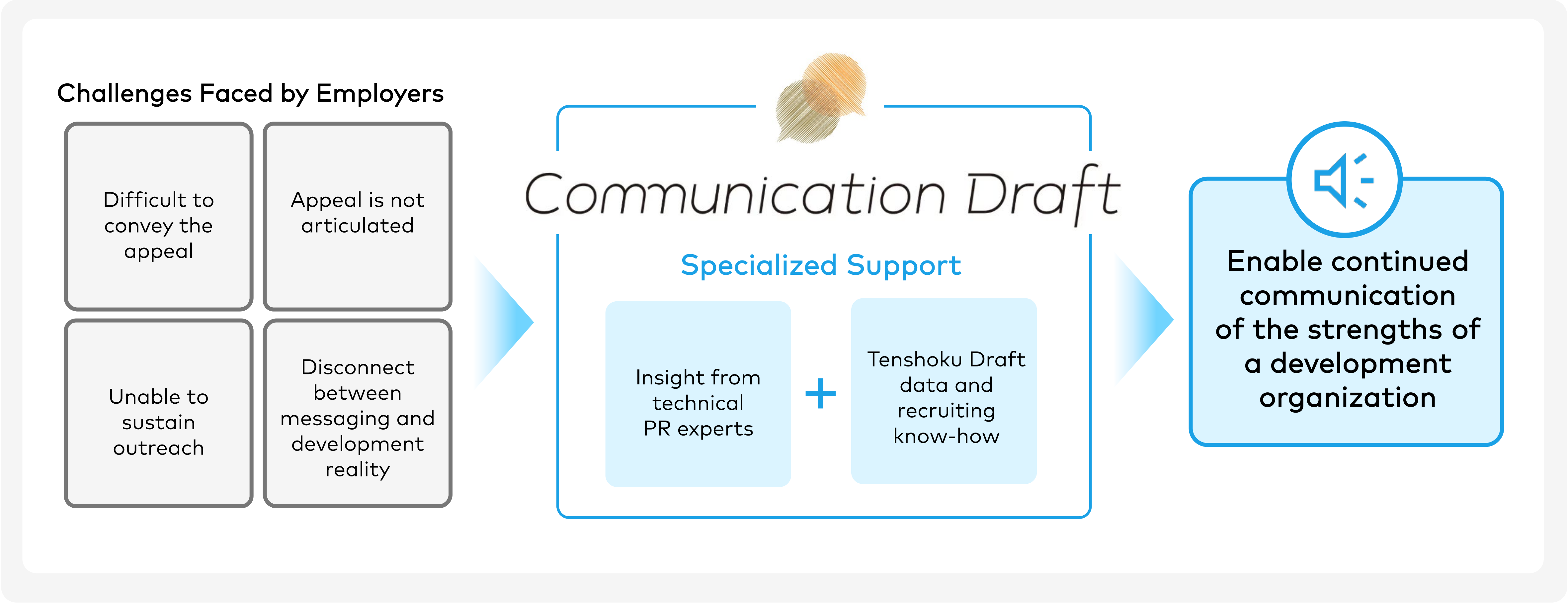
*Total registered members for each quarter. Expressed as a relative value with the Q1 FY2025 value set to 100.

Active Users*



*Number of active users at the end of each quarter. Expressed as a relative value with the Q1 FY2025 value set to 100.

In July, the Company established a subsidiary specializing in technical public relations support.
Leveraging expert insight and proprietary data and know-how, the subsidiary addresses clients' technical public relations challenges.



Ryo Kawamata, a leading expert in technical public relations, has been appointed President and Representative Director. The subsidiary provides practical services ranging from diagnostic assessment to support for self-directed operation.

President,
Representative Director

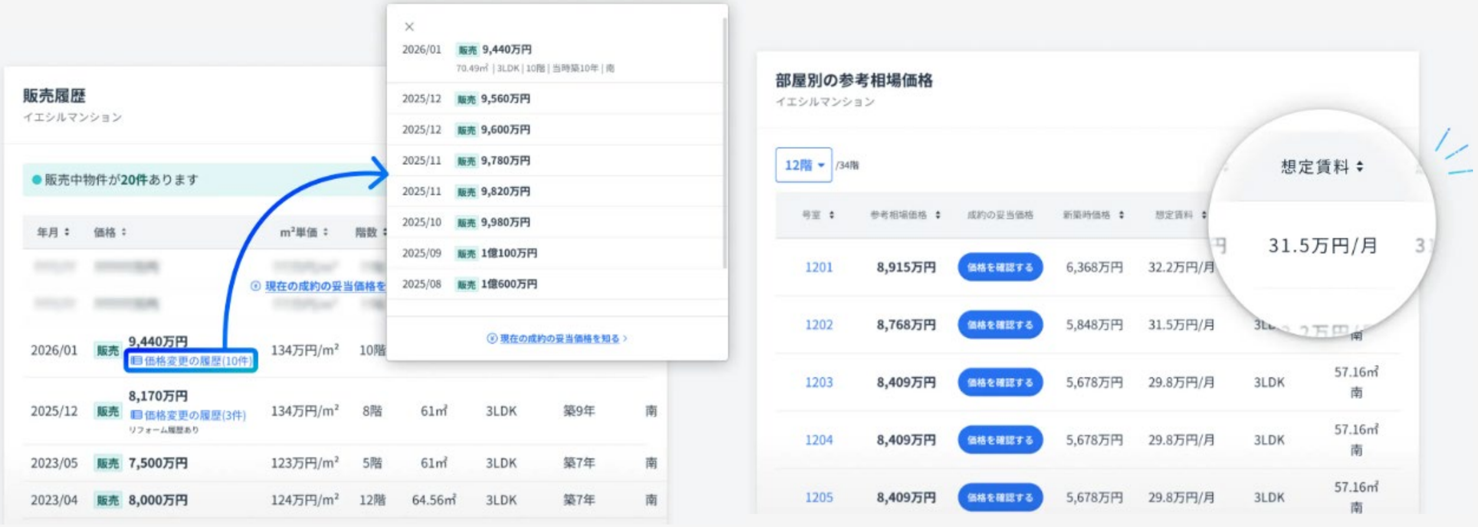
Ryo Kawamata

Served as the first technical public relations representative at Timee, Inc. Leads “DevRel Guild,” one of the largest technical public relations communities in Japan, with approximately 700 members. Author of “Gijutsu Koho no Kyokasho (technical public relations textbook)” (Gijutsu-Hyoron).

Main Services Offered

Recruitment Branding Assessment	Through research and analysis, the subsidiary visualizes the current state of recruitment Branding, identifies challenges, and recommends improvement strategies.
Technical Public Relations Bootcamp (Training Program)	Through training in technical public relations, the subsidiary supports the development of basic skills and knowledge.
Hands-on Technical Public Relations Support	The subsidiary works alongside the client as an external team to execute initiatives, while leaving playbooks and operational know-how in-house to build a self-sustaining system.
Enterprise Technology Public Relations Partner	The subsidiary provides comprehensive support for large organizations with multiple business units, from upstream strategy formulation to multi-channel operation and the establishment of a performance measurement infrastructure.
Other	The subsidiary provides flexible support tailored to clients’ needs, including assistance with conference exhibitions and ad-hoc consultations through advisory contracts.

The Company strengthened its customer acquisition base by expanding content utilizing proprietary data and AI.



転職会議

Visualized information such as employee count and average age to help users form a more concrete image of each company's "working environment."

イエシル IESHIL

Visualize estimated rent and sales/contract price history by unit Prevented overpaying through objective numerical comparisons, supporting convincing, well-informed decision making.

4. Structural Reforms Aimed at Achieving Profitability

Based on recent performance and the business environment, the Company is focusing on structural reforms aimed at achieving profitability. The Medium-term Management Plan has been withdrawn.

Current Challenges

Lack of Growth Drivers to Offset Declining Revenue in Part-time Job Domain

Increase and Rigidity of Fixed Costs

Future Policy

Structural Reforms Aimed at Achieving Profitability

1. **Focusing resources on revenue-generating divisions**
2. **Streamlining the operational structure**

To prioritize structural reforms aimed at achieving profitability, the "Medium-term Management Plan 2025-2027" has been withdrawn.

Desired State

Achieving monthly profitability in FY2027

Achieving full-year profitability and continued growth in FY2028

The Company has not been able to achieve growth that can offset Machbaito's revenue decline.

	FY2023-2025 Net Sales CAGR	Current Situation
Machbaito	-7.9%	Revenue decreased due to intense competition and the discontinuation of Mach Bonus following the implementation of regulations on Celebration bonuses. Need to reduce operating costs and expand into new domains.
Tenshoku Draft	-1.2%	The narrow target group of job seekers and employers is a bottleneck. As a result of strengthened Recruitment service and Branding activities, net sales and leading indicators improved in FY2026.
Tenshoku Kaigi	+6.8%	Tenshoku Kaigi has grown steadily as a leading job review website. To sustain continued growth and mitigate the risk of declining traffic, it's important to expand user acquisition channels.
IESHIL	CAGR not displayed due to significant impact from the buy-and-resell business	Despite efforts to expand content and increase buy-and-resell sales, it has yet to become a core service.
New Business	batonn: New product under development knew: Business discontinued in FY2024	The Company is currently developing new products as AI-native services.

Challenge

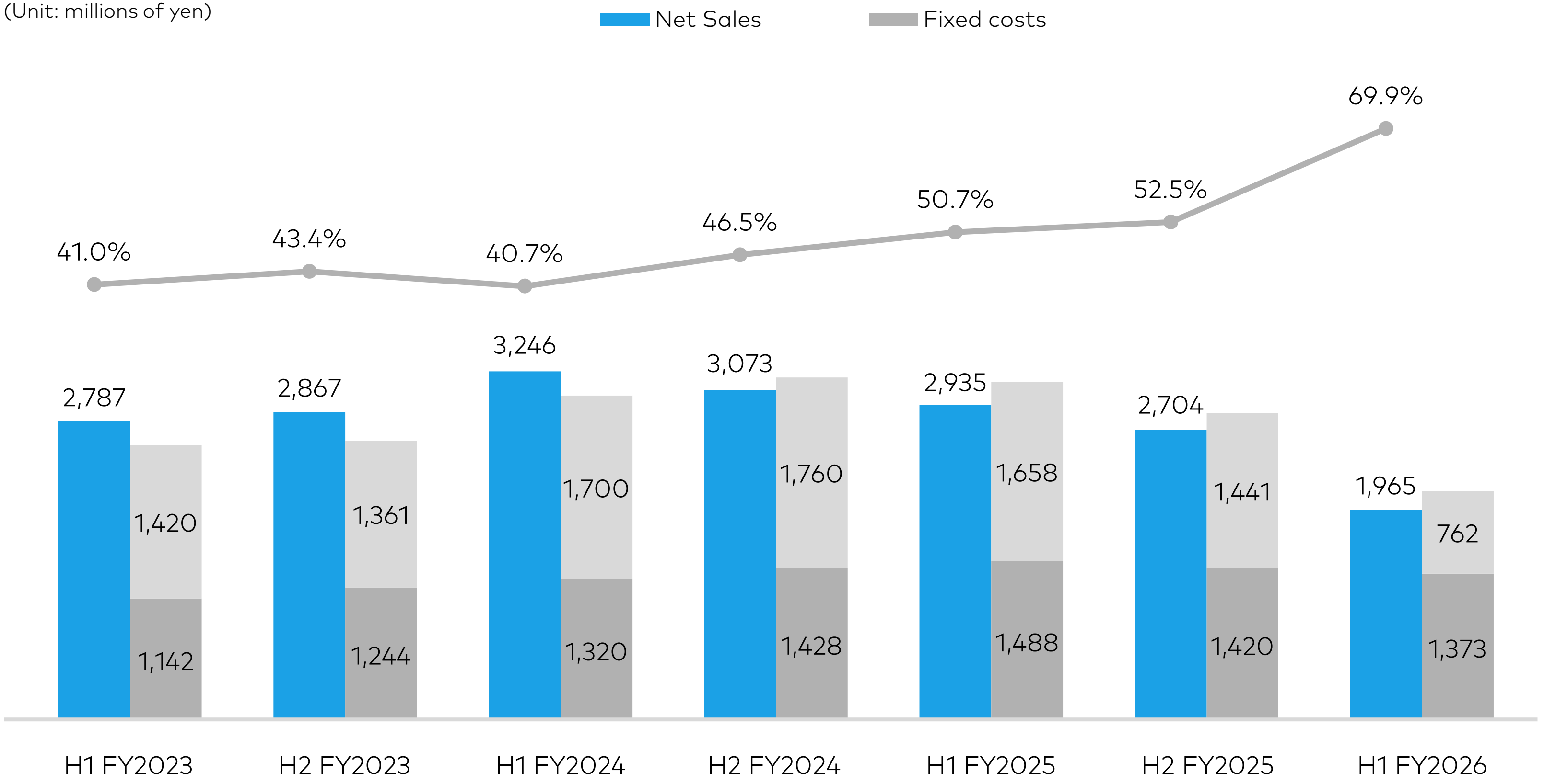
Lack of Growth Drivers to Offset Declining Revenue in Part-time Job Domain

While some businesses are growing, other businesses and new ventures have not yet reached a scale sufficient to offset the decline in Machbaito's revenue.

Fixed costs increased through business investment, but were not reduced as revenue declined, putting pressure on profits.

Trends in Net Sales/Expenses

(Unit: millions of yen)



Challenge

Increase and Rigidity of Fixed Costs

Leading up to FY2024, personnel costs and outsourcing expenses increased due to business investment and other factors. Subsequently, as revenue declined due to changes in the business environment, insufficient cost reductions put pressure on profits.

The Company has withdrawn the "Medium-term Management Plan 2025-2027" and is focusing on structural reforms aimed at achieving profitability.

Future Policy

- Focusing resources on revenue-generating divisions
- Streamlining the operational structure

Aiming for sustained, incremental growth, the Company is focusing resources on highly promising initiatives. Approximately 20% of the total workforce, primarily from non-revenue-generating divisions, will be reassigned.

Initiatives		Desired State
Focusing resources on high-probability initiatives	• Focus investments on priority areas and suspend lower-probability investments (including large-scale Branding and M&A). • Continue developing AI-native new products Expected to become a key revenue driver going forward.	Sustained, incremental growth
Reallocating personnel from non-revenue-generating to revenue-generating divisions	• Establish a new dedicated sales department. Added to the existing sales team, and personnel from non-revenue-generating divisions will be transferred. • Offer a support program for employees who wish to pursue careers outside the Company.	

In parallel with personnel reassignment, the Company is promoting AI-native transformation across the board, aiming to build a structure that enables the business and Company to operate efficiently with a lean workforce.

Initiatives

In Progress Company-Wide Promotion of AI-Native Adoption

Productivity improvement measures, including the replacement of back-office tasks with AI, are already underway in each business unit. The Company has established a promotion organization directly under President to further accelerate the shift to AI-native technology.

Reassignment of personnel mainly from back-office functions within business units and cross-functional divisions

Reduction of fixed costs, including outsourcing fees

Desired State

Streamline operational structure,

Thereby

lowering the break-even point

Streamlining operations mainly in Machbaito and cross-functional divisions. Tenshoku Kaigi and Tenshoku Draft aim for steady growth.

	Policy	
Machbaito	Improving profit by streamlining the organizational structure	The Company is promoting the automation of operations using AI. By significantly streamlining the organization, the Company aims to shift to a more profit-oriented structure. The Company is also exploring expansion into adjacent domains by leveraging its existing assets.
Tenshoku Draft	Broadening user base by establishing a brand Broadening targets by expanding recruitment channels	In the short term, the Company aims to increase matching through service expansion and improvement. In the long term, it aims for growth by strengthening the brand.
Tenshoku Kaigi	Expanding content to broaden the user base	The Company will expand user base by leveraging generative AI to enrich content based on reviews and associated data.
IESHIL	Exploring growth opportunities, including collaboration with other companies	The Company is exploring growth opportunities by leveraging its position and assets, including potential collaborations with other companies.
New Business	Early release of new products	To expand the target market for batonn, the Company is developing a new AI-native service, aiming for release by the end of FY2026.
Cross-functional Divisions	Streamlining organizational structure through the use of AI	The Company is promoting business process restructuring through AI, significantly streamlining its organizational structure, and lowering the Company's overall break-even point.

To achieve monthly profitability in FY2027 and full-year profitability in FY2028, the Company will begin structural reforms in the second half of FY2026.

	H2 FY2026	FY2027	FY2028
Goal	Promotion of structural reforms	Achievement of monthly profitability	Achievement of full-year profitability
Reduction of fixed costs	Reduction of outsourcing costs and other expenses		
Resource allocation to high-probability initiatives	Promotion of initiatives and contribution to profits	Promotion of initiatives and contribution to profits	Adjust investment balance while monitoring progress
Reassignment to revenue-generating divisions	Job reassignment and training	Productivity improvement and sales contribution	Productivity improvement and sales contribution
Promotion of company-wide AI-native adoption	Establishment of a promotion system, implementation of initiatives	Productivity improvement and streamlining operations	Productivity improvement and streamlining operations

The earnings forecast will be disclosed in the third quarter, taking into account the progress of structural reforms. Changes to and introduction of new financial indicators are also planned.

Earnings Forecast	**To be disclosed at the time of the Q3 earnings announcement** This will be based on the progress of the structural transformation currently underway to achieve profitability.
Financial Indicators	With the shift to prioritizing profitability, indicators have been changed and new ones have been established starting from the third quarter. **Profit Indicator: Consolidated Operating Profit** Changed from Adjusted EBITDA following the suspension of M&A activity and the shift to a profitability-first policy. **New Indicator: Fixed Cost Ratio** Newly established as an indicator to show the progress of structural reforms

To clarify accountability for the decline in performance, the Company will reduce the compensation of its internal directors.

Details of executive compensation reduction	**Taichi Murakami, President, Representative Director:** 30% of monthly executive compensation **Daisuke Katsura, Director:** 30% of monthly executive compensation
Reduction period	**3 months** (From September 2026 to November 2026)

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5. Appendix

Financial Data (1)

Consolidated Income Statement

	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Net Sales	millions of yen	4,179	4,757	5,654	6,320	5,639
Cost of Sales	millions of yen	742	756	951	1,581	1,429
SG&A Expenses	millions of yen	4,549	3,717	4,217	4,629	4,579
Adjusted EBITDA	millions of yen	-1,104	289	488	125	-354
Operating Income	millions of yen	-1,112	284	485	109	-368
Ordinary Income	millions of yen	-916	438	649	260	-294
Profit Attributable to Owners of Parent	millions of yen	-943	537	716	197	-22

Consolidated Balance Sheet

	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Current Assets	millions of yen	3,339	4,116	4,555	4,765	4,638
Cash and Deposits	millions of yen	2,705	3,560	3,647	3,925	3,639
Non-current Assets	millions of yen	535	351	252	175	94
Total Assets	millions of yen	3,874	4,468	4,808	4,941	4,733
Current Liabilities	millions of yen	690	1,087	803	720	512
Non-current Liabilities	millions of yen	84	23	23	13	10
Net Assets	millions of yen	3,099	3,356	3,981	4,207	4,210

Financial Data (2)

Consolidated Cash Flow Statement

	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Cash flows from operating activities	millions of yen	-361	731	3	264	-652
Cash flows from investing activities	millions of yen	19	128	88	23	376
Cash flows from financing activities	millions of yen	15	-4	-4	-9	-9

Management Indicators

	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Operating Margin (%)	%	-	6.0	8.6	1.7	-
Stock Price (end of Dec)	JPY	179	279	254	143	119
Market Cap (end of Dec)	Billions of JPY	50	78	71	40	33
EPS (Net income per share)	JPY	-34.4	19.6	26.1	7.2	-0.8
PER (Price earnings ratio)	x	-	14.2	9.7	19.9	-
ROIC (Return on invested capital,)	%	-	7.9	13.0	2.4	-
ROE (Return on equity,)	%	-	16.7	19.5	4.8	-
ROA (Return on assets,)	%	-	10.5	14.0	5.3	-

2Q26 Consolidated Balance Sheet

(millions of yen)

			4Q25	2Q26	YoY
Assets					
	Current Assets		4,638	4,473	- 165
		Cash and Deposits	3,639	3,521	- 118
	Non-Current Assets		94	85	- 9
		Property, Plant & Equipment	0	0	- 0
		Intangible Assets	5	4	- 0
		Investments & Other Assets	89	80	- 8
	Total Assets		4,733	4,558	-174
Liabilities					
	Current Liabilities		512	509	- 3
	Non-Current Liabilities		10	11	+0
	Total Liabilities		523	520	-3
Net Assets					
	Shareholders' Equity		4,158	3,980	- 177
		Share Capital	237	237	±0
		Capital Surplus	225	225	±0
		Retained Earnings	3,859	3,680	-178
		Treasury Stock	-164	-163	+1
	Total Net Assets		4,210	4,038	- 171

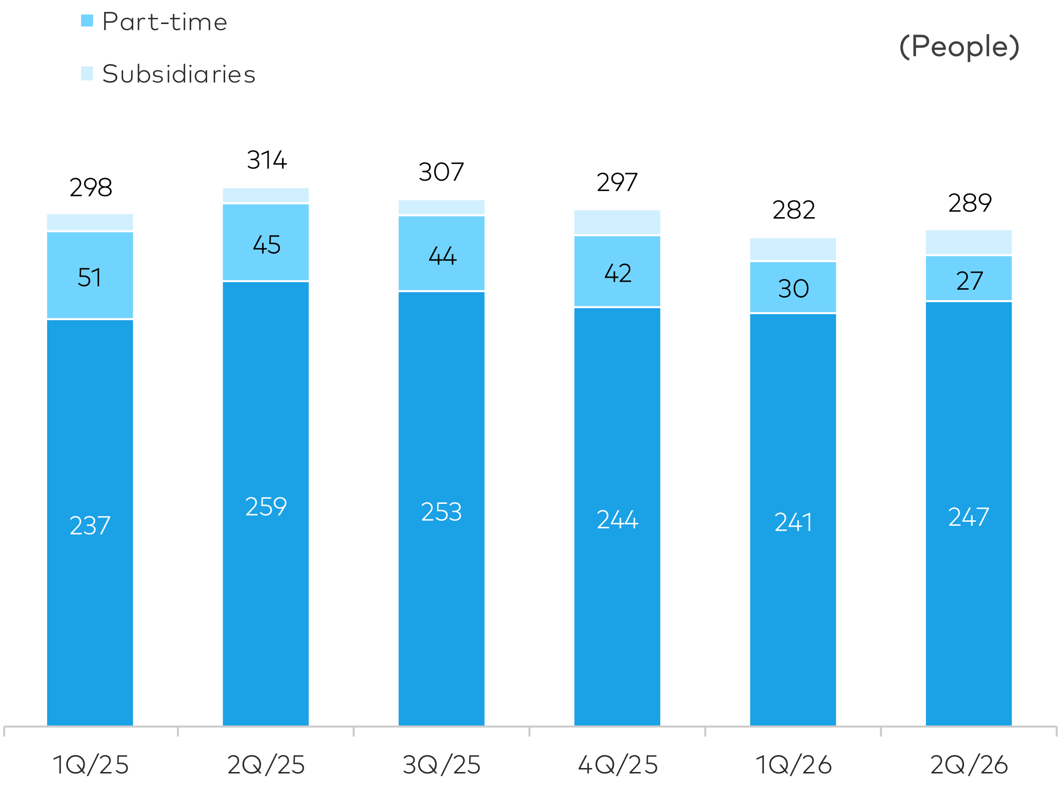
Established as the profit metric for promoting and evaluating the mid-term management plan.

(millions of yen)

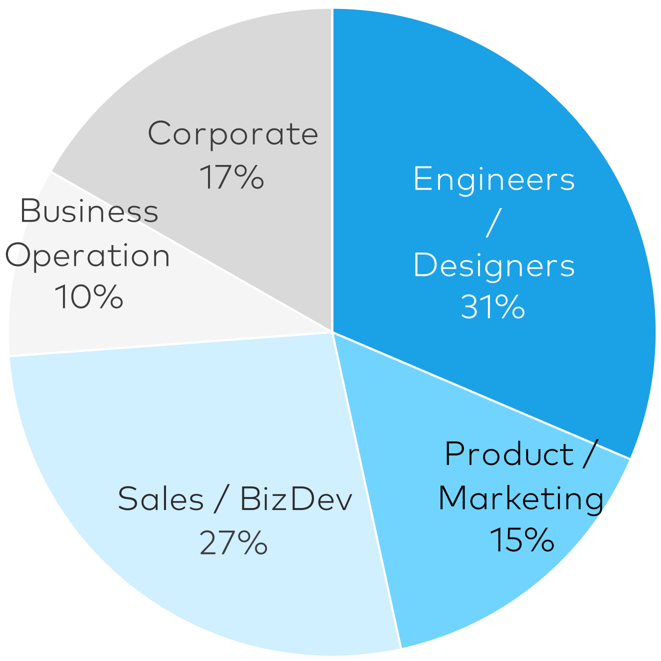
	2Q25	2Q26	Reason for Exclusion
Operating Income	-110	-119	
Depreciation & Amortization	0	0	Non-cash accounting expenses are excluded to measure true business profitability against the "1→10 growth" target.
Goodwill Amortization	0	0	
Share-Based Compensation	3	1	
M&A-Related Expenses	0	0	One-time M&A costs are excluded to encourage active M&A execution.
Adjusted EBITDA	-107	-118	

Employees

No. of Employees (Consolidated)



Breakdown of Full-time Employees



*Non-consolidated: Head Office Regular Employees only.
(Our 'Regular Employees in Specific Functions' are mainly responsible for customer support and sales.)

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