



Kufu Company Inc.

FY2024.9

Presentation Material

November 14, 2024



Agenda

1. Executive Summary

2. Consolidated Financial Results for FY2024.9

3. Business Overview by Segment

- Daily Life Business
- Life Event Business
- Investment and Incubation Business



1. Executive Summary

Consolidated Financial Results

- The achievement rates for the full-year forecast were 97.2% for sales, 90.2% for operating profit, and 94.7% for EBITDA

| | FY2020.9 * | FY2021.9 * | FY2022.9 | FY2023.9 | FY2024.9 | FY2024.9 | | |
|------------------|------------|------------|----------|----------|----------|----------|--------|------------------|
| | Result | Result | Result | Result | Forecast | Result | YoY | Achievement rate |
| Net sales | 6,042 | 11,256 | 18,625 | 20,486 | 16,000 | 15,544 | 75.9 % | 97.2 % |
| Operating profit | 604 | 1,000 | 1,558 | 1,882 | 700 | 631 | 33.6 % | 90.2 % |
| EBITDA | 890 | 1,617 | 2,581 | 2,926 | 1,800 | 1,705 | 58.3 % | 94.7 % |

(JPY MM)

* Results for FY2020.9 (Oct. 2019 to Sep. 2020) and FY2021.9 (Oct. 2020 to Sep. 2021) are the simple aggregate of consolidated earnings results for the former KUFU COMPANY INC. and Locoguide Inc. for each period (unaudited).

Highlights of FY2024.9 Consolidated Financial Results くふうカンパニー

- Net sales: 15,544 million yen (75.9% YoY), Operating profit: 631 million yen (33.6% YoY), EBITDA: 1,705 million yen (58.3% YoY)

Progress by segment

| | |
|------------------------------------|---|
| Daily Life Business | <ul style="list-style-type: none">• In the Tokubai business, the growth in the number of subscriber stores was sluggish.• Although efforts were made to reduce costs, the impact on the entire business from the decline in media advertising profits was significant for the full fiscal year. |
| Life Event Business | <p>Home domain</p> <ul style="list-style-type: none">• Although market conditions were severe, Kufu Sumai Consulting Inc.* has achieved some success in attracting customers on the web and expanding its product lineup, while liquidating unprofitable businesses.• At Kufu Sumai Inc., an increase in the number of contracts concluded at the consultation counters in the "Ietate" business contributed to profits, and new store openings also progressed largely as planned. <p>Marriage domain</p> <ul style="list-style-type: none">• Although market conditions in the media business were tough, we were promoting product expansion to strengthen profitability. In the wedding producing business, the number of weddings held increased, and orders remained steady, achieving a full-year profit in the domain. |
| Investment and Incubation Business | <ul style="list-style-type: none">• The investment business recorded a gain on the sale of operating investment securities, but this was not as high as the previous fiscal year.• In the incubation business, consolidated subsidiary KIDS STAR Inc. was listed on the Tokyo Stock Exchange Growth Market in September. |

* As of August 1, 2024, HyAS & Co. Inc. changed its name to Kufu Sumai Consulting Inc.

Forecast of Consolidated Financial Results for FY2025.9 くふうカンパニー

- In FY2025.9, we forecast sales of 14,000 million yen (90.1% YoY) , operating profit of 500 million yen (79.1% YoY) , and EBITDA of 1,600 million yen (93.8% YoY)

| | FY2024.9 | FY2025.9 | |
|------------------|----------|----------|--------|
| | Result | Forecast | YoY |
| Net Sales | 15,544 | 14,000 | 90.1 % |
| Operating profit | 631 | 500 | 79.1 % |
| EBITDA | 1,705 | 1,600 | 93.8 % |

(JPY MM)

Becoming No.1 service

in all businesses provided by Kufu Company Inc. Group,
by providing one-stop online and offline services

Shopping

Overwhelmingly No.1 in the number of contracted stores & users
in 2 years

Home

No.1 in the number of housing-related constructions in 4 years

Marriage

No.1 in the number of wedding creations in 4 years

2. Consolidated Financial Results for FY2024.9

Group Composition (Main Group Companies as of November 1, 2024) くふうカンパニー

- In order to build a group centered on the Daily Life Businesses, we narrowed down the number of group companies throughout FY2024.9

Daily Life Business

- Locoguide
- Kufu AI Studio

✓ On November 1, 2024, Kufu AI Studio integrated RETRIP

✓ Locoguide and Kufu AI Studio are scheduled to be integrated on January 1, 2025

Life Event Business

- Kufu Sumai Consulting Group
- Kufu Sumai
- Kufu Wedding

Investment and Incubation Business

- Kufu Shizuoka
- KIDS STAR
- Gold Eggs
- Seven Signatures International (SSI)
- Kufu Capital
- Kufu Company (Incubation Business)

Consolidated Net Sales

- Net sales for FY2024.9 were 15,544 million yen (75.9% YoY), which was 97.2% of the full-year forecast

| | FY2023.9 | FY2024.9 | | | |
|---------------------------------------|----------|----------|--------|----------|------------------|
| | Result | Result | YoY | Forecast | Achievement rate |
| Net sales | 20,486 | 15,544 | 75.9 % | 16,000 | 97.2 % |
| Daily Life Business *1 | 3,132 | 3,028 | 96.7 % | - | - |
| Life Event Business | 11,803 | 9,148 | 77.5 % | - | - |
| Investment and Incubation Business *2 | 5,614 | 3,666 | 65.3 % | - | - |
| Other | 189 | - | - | - | - |
| Adjustment | -254 | -299 | - | - | - |

(JPY MM)

*1 : Kufu Geodata, Inc., which was part of the Investment and Incubation Business, was integrated into Locoguide Inc. on July 1, 2024.

*2 : The Investment and Incubation Business started consolidating P/L of Gold Eggs Inc. in the second quarter of FY2024.9.

Consolidated Operating Profit / EBITDA

- Operating profit for FY2024.9 was 631million yen (33.6% YoY), which was 90.2% of the full-year forecast
- EBITDA for FY2024.9 was 1,705 million yen (58.3% YoY), which was 94.7% of the full-year forecast

| | FY2023.9 | FY2024.9 | | | |
|---------------------------------------|----------|----------|--------|----------|------------------|
| | Result | Result | YoY | Forecast | Achievement rate |
| Operating profit | 1,882 | 631 | 33.6 % | 700 | 90.2 % |
| Daily Life Business *1 | 829 | 603 | 72.7 % | - | - |
| Life Event Business | 680 | 669 | 98.3 % | - | - |
| Investment and Incubation Business *2 | 1,550 | 525 | 33.9 % | - | - |
| Other | -149 | - | - | - | - |
| Adjustment | -1,027 | -1,165 | - | - | - |
| EBITDA | 2,926 | 1,705 | 58.3 % | 1,800 | 94.7 % |

(JPY MM)

*1 : Kufu Geodata, Inc., which was part of the Investment and Incubation Business, was integrated into Locoguide Inc. on July 1, 2024.

*2 : The Investment and Incubation Business started consolidating P/L of Gold Eggs Inc. in the second quarter of FY2024.9.

Consolidated Quarterly Financial Results

- Although the first half of the year was in the red, we recovered in the second half, resulting in a full-year profit for FY2024.9

| | FY2023.9 | | | | FY2024.9 | | | | | |
|------------------|----------|-------|-------|-------|----------|-------|-------|-------|--------|-------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 * | Q3 | Q4 | YoY | QoQ |
| Net sales | 4,883 | 4,362 | 6,543 | 4,696 | 3,263 | 3,627 | 4,623 | 4,028 | 85.8% | 87.1% |
| Operating profit | 433 | 151 | 1,023 | 274 | -117 | -47 | 507 | 288 | 105.2% | 56.8% |
| EBITDA | 685 | 418 | 1,285 | 536 | 134 | 219 | 779 | 571 | 106.6% | 73.3% |

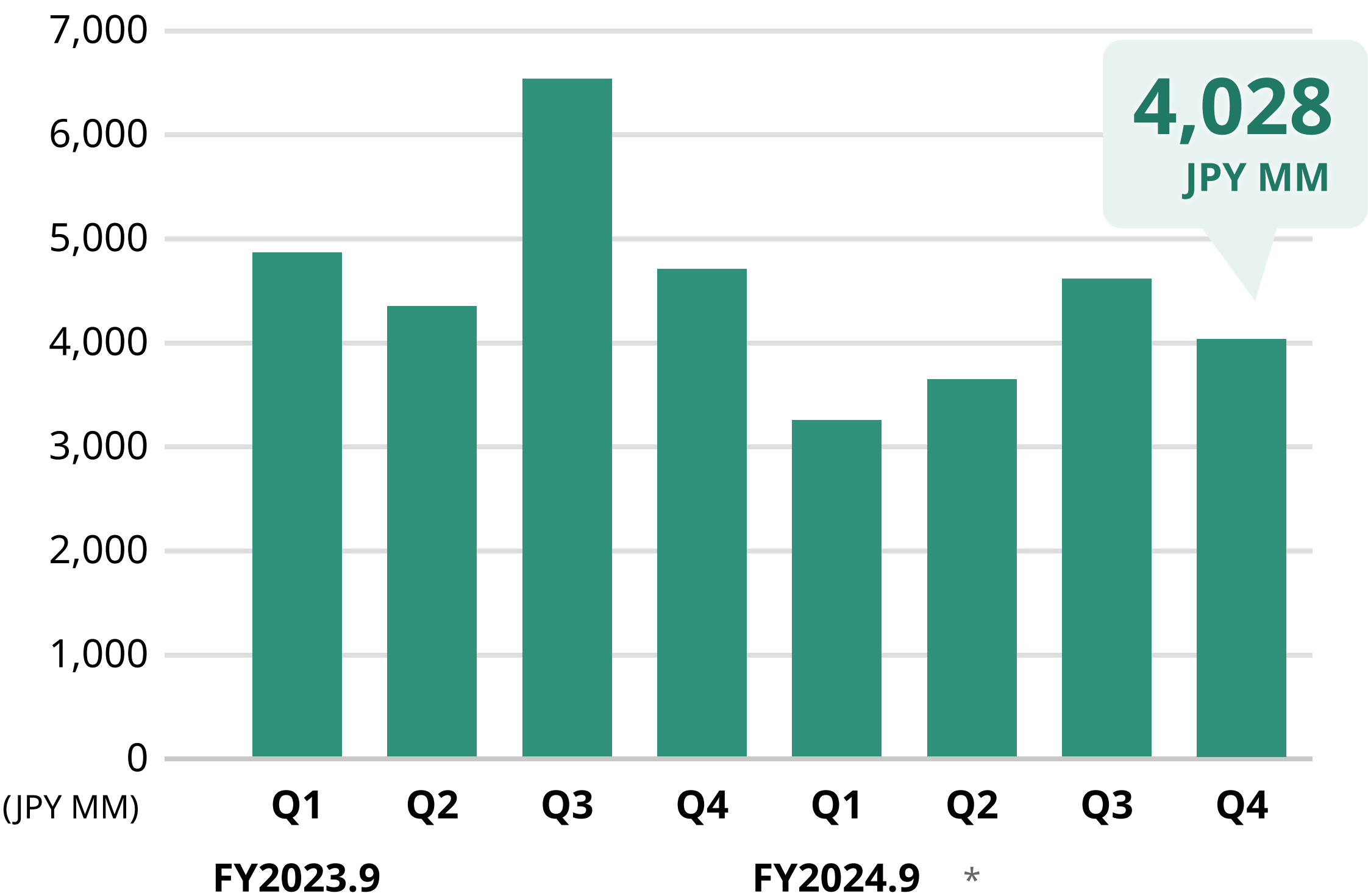
(JPY MM)

* The Investment and Incubation Business started consolidating P/L of Gold Eggs Inc. in the second quarter of FY2024.9.

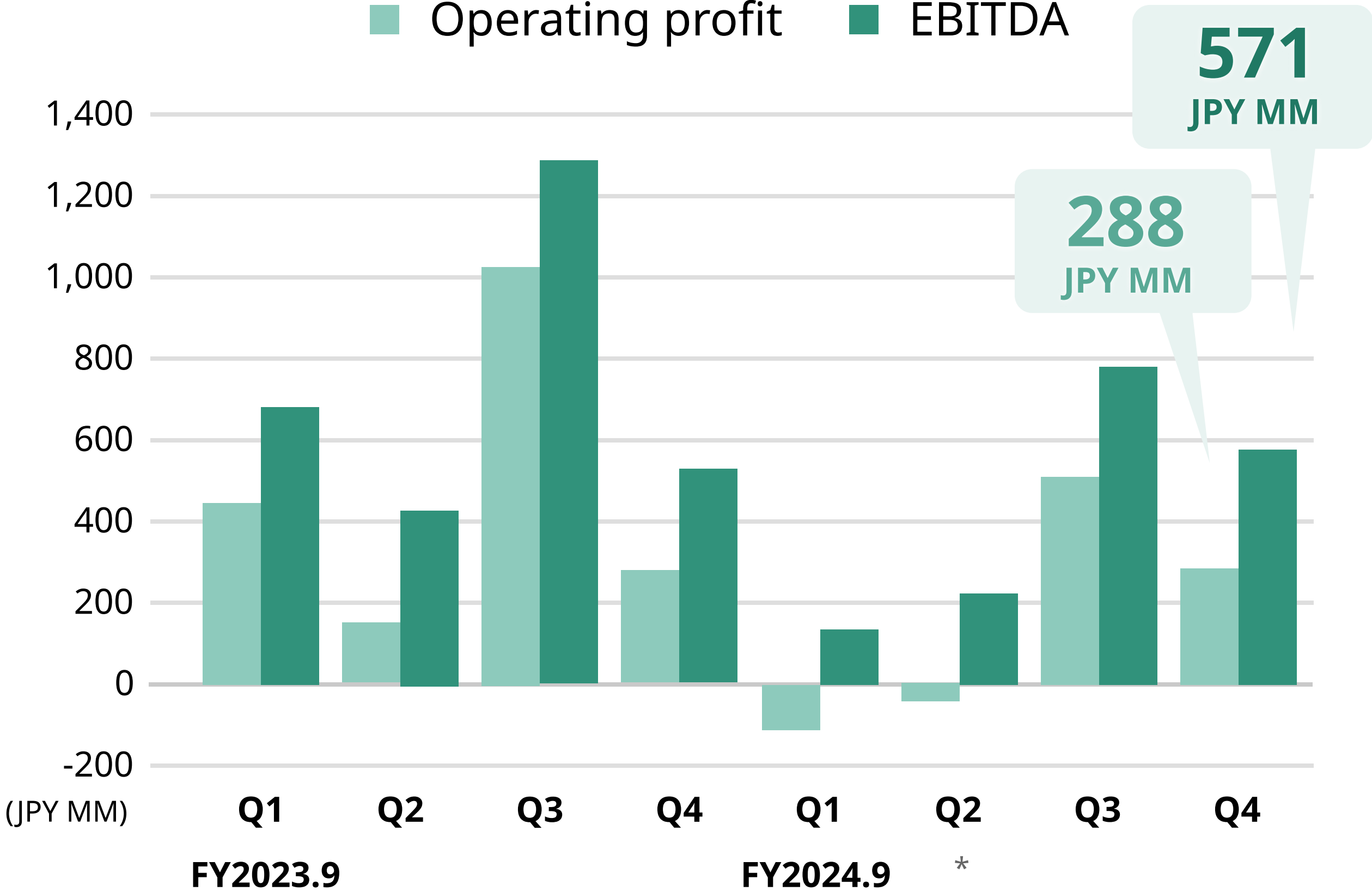
Consolidated Quarterly Financial Results Trends

- Although the first half of the year was in the red, we recovered in the second half, resulting in a full-year profit for FY2024.9

Net sales



Operating profit EBITDA



* The Investment and Incubation Business started consolidating P/L of Gold Eggs Inc. in the second quarter of FY2024.9.

Consolidated Quarterly Financial Results – Net Sales by Segment くふうカンパニー

- In the Daily Life Business, the growth in the Tokubai business was sluggish
- In the Investment and Incubation Business, sales from the sale of operating investment securities were recorded in Q3

| | | FY2023.9 | | | | FY2024.9 | | | | | |
|-----------|------------------------------------|----------|-------|-------|-------|----------|-------|-------|-------|--------|--------|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 *1 | Q3 | Q4 *2 | YoY | QoQ |
| Net sales | Daily Life Business | 771 | 806 | 698 | 856 | 772 | 764 | 759 | 731 | 85.5% | 96.3% |
| | Life Event Business | 2,515 | 2,975 | 3,236 | 3,076 | 2,150 | 2,320 | 2,184 | 2,492 | 81.0% | 114.1% |
| | Investment and Incubation Business | 1,590 | 569 | 2,602 | 852 | 426 | 625 | 1,752 | 862 | 101.2% | 49.2% |
| | Other | 50 | 58 | 80 | - | - | - | - | - | - | - |
| | Adjustment | -43 | -47 | -74 | -88 | -86 | -82 | -72 | -57 | - | - |
| Total | | 4,883 | 4,362 | 6,543 | 4,696 | 3,263 | 3,627 | 4,623 | 4,028 | 85.8% | 87.1% |

(JPY MM)

*1 : The Investment and Incubation Business started consolidating P/L of Gold Eggs Inc. in the second quarter of FY2024.9.
*2 : Kufu Geodata, Inc., which was part of the Investment and Incubation Business, was integrated into Locoguide Inc. on July 1, 2024.

Consolidated Quarterly Financial Results – OP by Segment くふうカンパニー

- In the Daily Life Business, cost reductions were promoted but the results were not realized
- The Life Event Business recovered from the delays in the first half, and the Investment and Incubation Business recorded a gain on the sale of operating investment securities in Q3

| | | FY2023.9 | | | | FY2024.9 | | | | | |
|------------------|------------------------------------|----------|------|-------|------|----------|-------|------|-------|--------|--------|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 *1 | Q3 | Q4 *2 | YoY | QoQ |
| Operating profit | Daily Life Business | 250 | 251 | 143 | 183 | 163 | 182 | 144 | 112 | 61.0% | 77.6% |
| | Life Event Business | 109 | 132 | 192 | 246 | 8 | 80 | 231 | 348 | 141.6% | 150.4% |
| | Investment and Incubation Business | 405 | 53 | 983 | 107 | -58 | -12 | 460 | 134 | 125.5% | 29.2% |
| | Other | -61 | -44 | -44 | - | - | - | - | - | - | - |
| | Adjustment | -269 | -242 | -252 | -263 | -231 | -297 | -329 | -307 | - | - |
| Total | | 433 | 151 | 1,023 | 274 | -117 | -47 | 507 | 288 | 105.2% | 56.8% |

(JPY MM)

*1 : The Investment and Incubation Business started consolidating P/L of Gold Eggs Inc. in the second quarter of FY2024.9.
*2 : Kufu Geodata, Inc., which was part of the Investment and Incubation Business, was integrated into Locoguide Inc. on July 1, 2024.

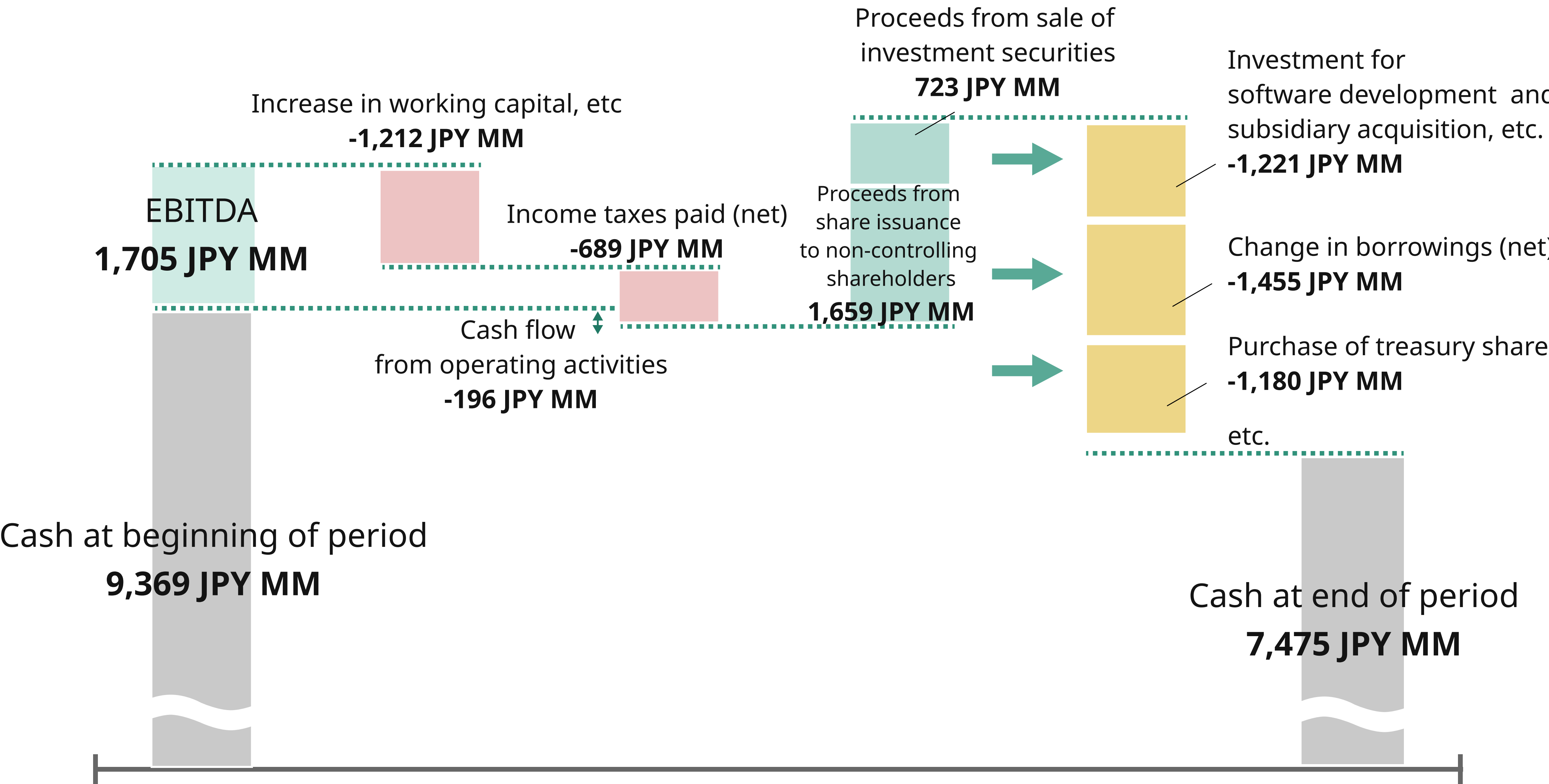
Consolidated Financial Results – B/S

| | As of end-Sep. 2023 | As of end-Sep. 2024 | Change | Change factors |
|---|------------------------|------------------------|---------------|---|
| Current assets | 14,122 | 12,805 | -1,316 | <ul style="list-style-type: none"> • Cash and deposits decreased by 1,899 million yen due to acquisition of subsidiary stock, repayment of borrowings, acquisition of treasury stock, etc., while cash were acquired through operating activities and sale of investment securities, etc. • Investments and other assets decreased by 687 million yen due to the sale of some investment securities, etc. |
| (Cash and deposits) | 9,405 | 7,505 | -1,899 | |
| (Operating investment securities) | 1,334 | 1,691 | 357 | |
| (Real estate for sale) | 1,232 | 1,483 | 251 | |
| Non-current assets | 6,851 | 6,055 | -795 | |
| (Goodwill) | 3,591 | 3,459 | -131 | |
| (Investments and other assets) | 1,795 | 1,107 | -687 | |
| Assets | 20,973 | 18,875 | -2,097 | |
| Liabilities | 9,376 | 6,705 | -2,670 | <ul style="list-style-type: none"> • Short-term and long-term borrowings decreased by 1,794 million yen due to repayments. • Treasury stock decreased by 100 million yen (net assets increased) due to the acquisition of 1,180 million yen and the cancellation of 1,311 million yen, etc. |
| (Short-term and long-term borrowings) | 5,349 | 3,555 | -1,794 | |
| Net assets | 11,596 | 12,169 | 572 | |
| (Capital stock) | 13 | 30 | 16 | |
| (Capital surplus) | 8,452 | 8,635 | 182 | |
| (Retained earnings) | 1,739 | 2,047 | 308 | |
| (Treasury stock) | -132 | -32 | 100 | |
| (Valuation difference on available for-sale securities) | -13 | 30 | 43 | |
| (Non-controlling interests) | 1,517 | 1,451 | -66 | |
| Total liabilities and net assets | 20,973 | 18,875 | -2,097 | |

(JPY MM)

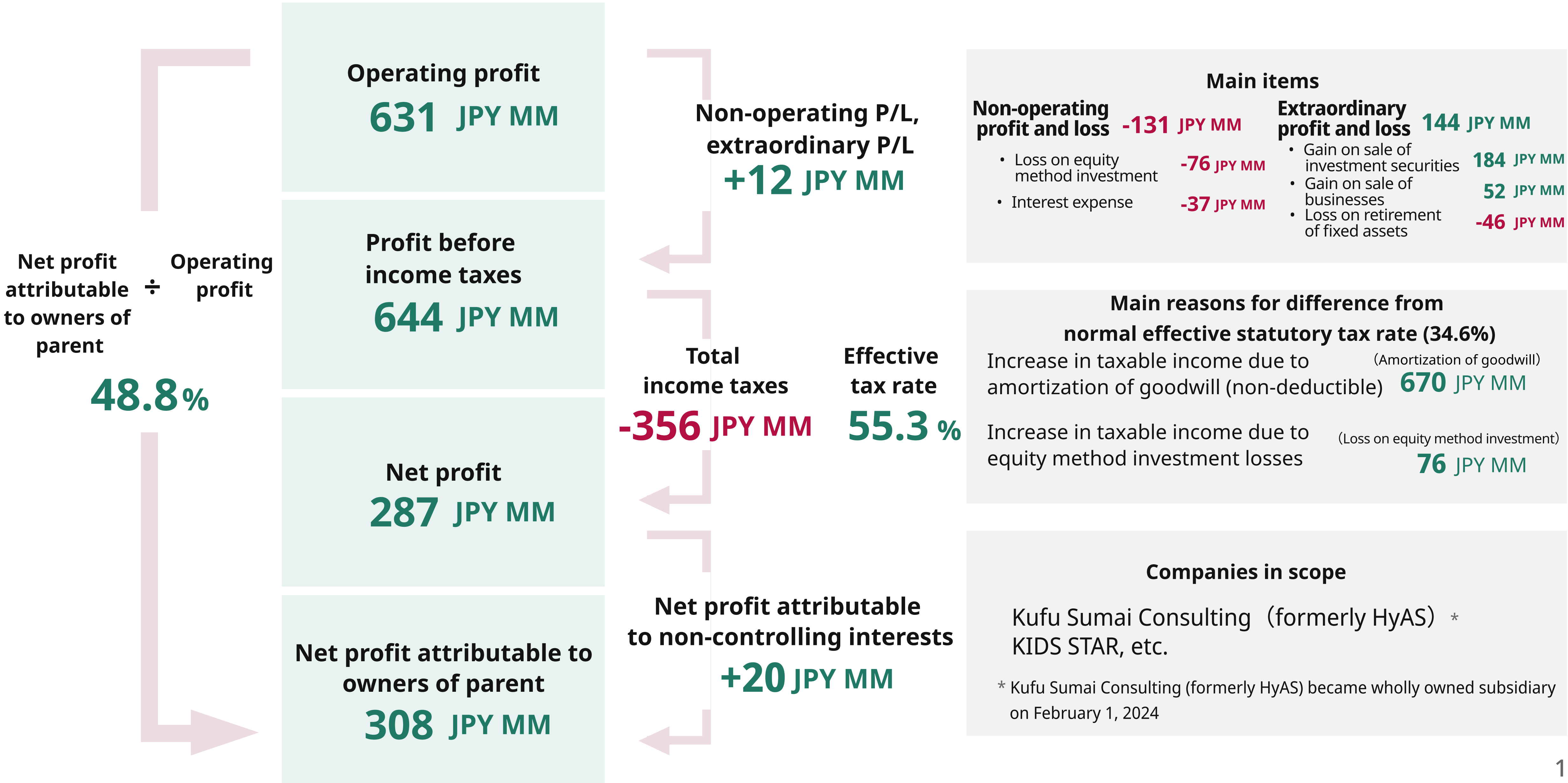
* Items in parentheses are included in totals.

Consolidated Financial Results – Cash Flow Analysis くふうカンパニー



FY2024.9

Consolidated Financial Results – Profit Analysis



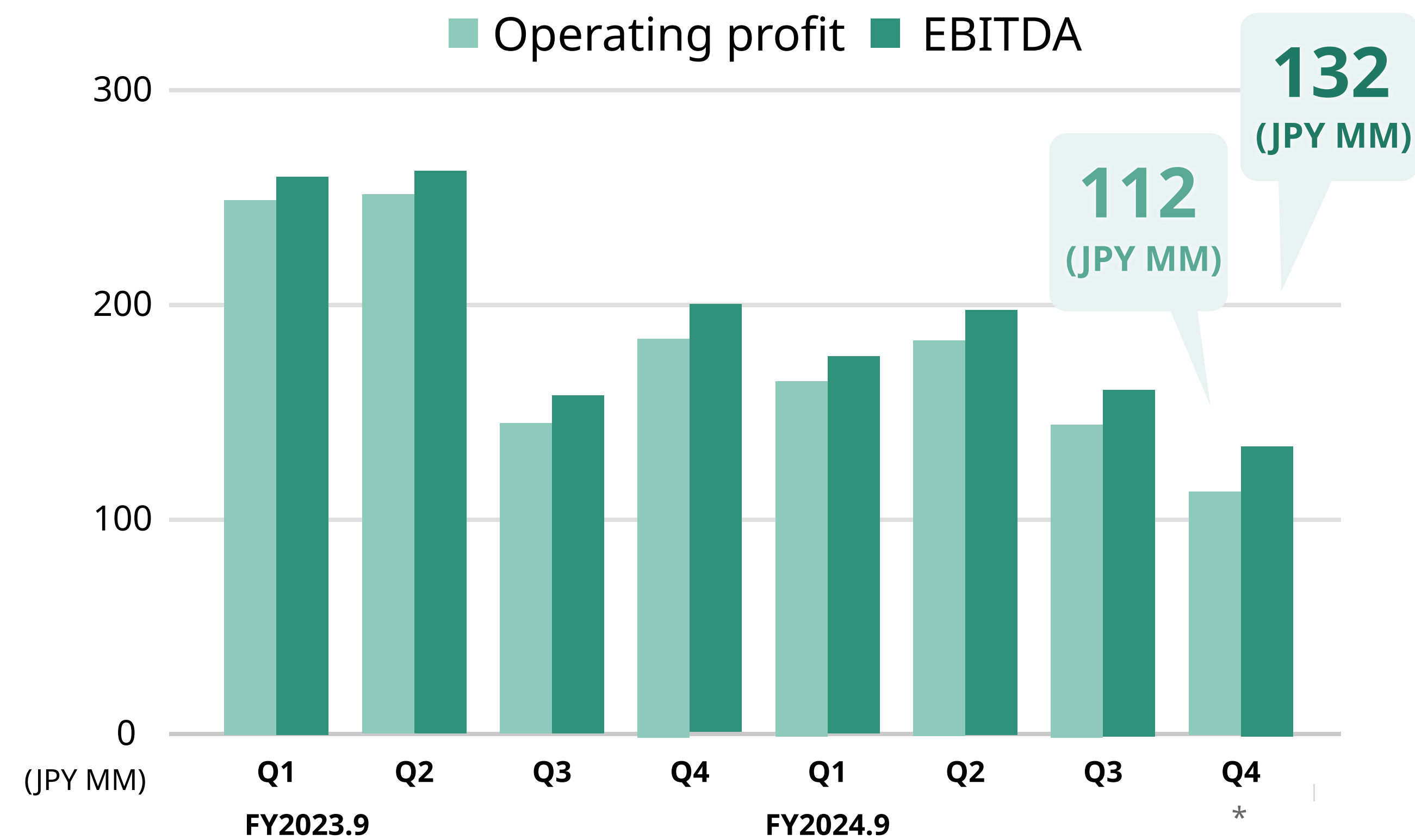
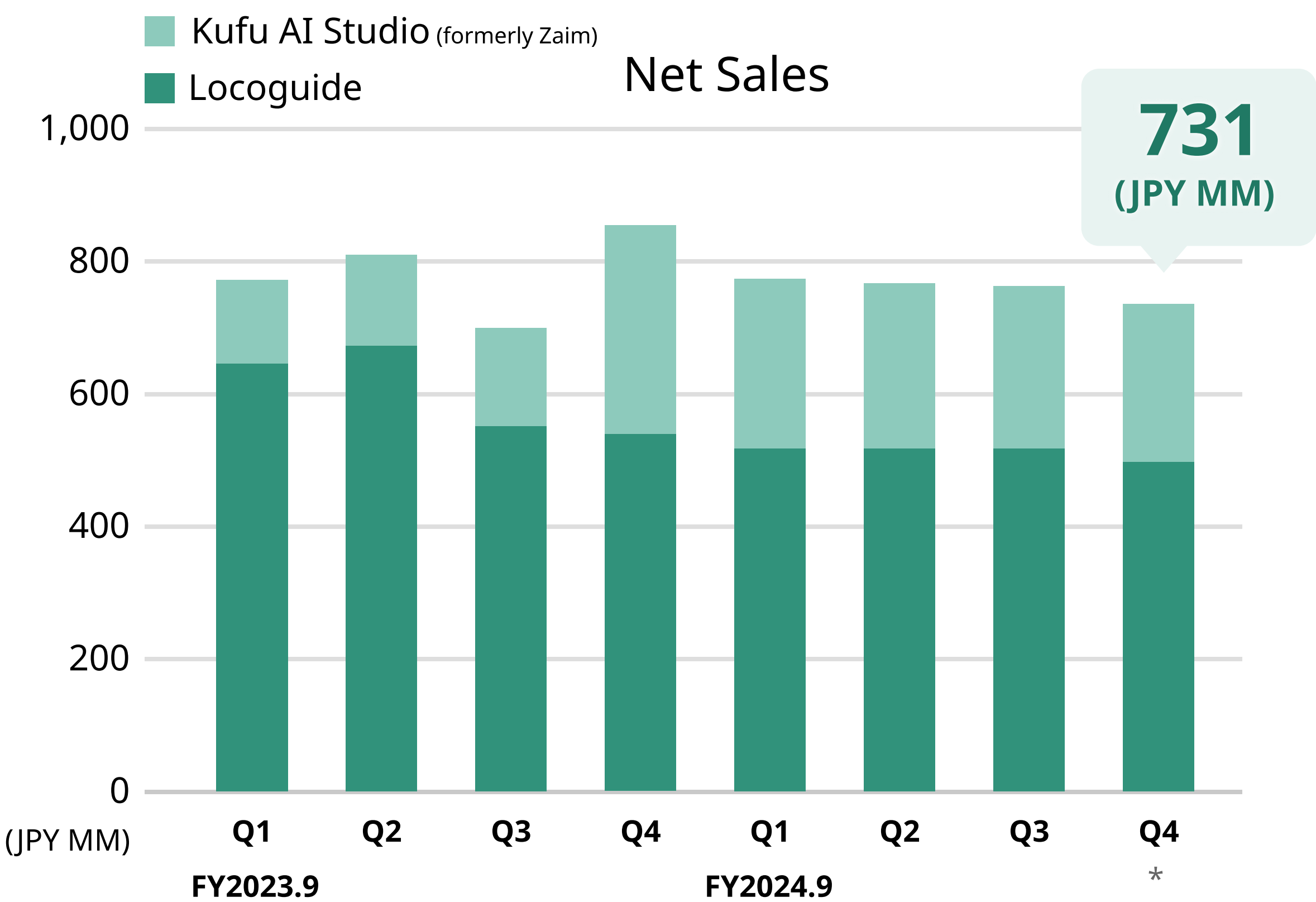
3. Business Overview by Segment

Daily Life Business



Daily Life Business – Financial Results – Quarterly Trends くふうカンパニー

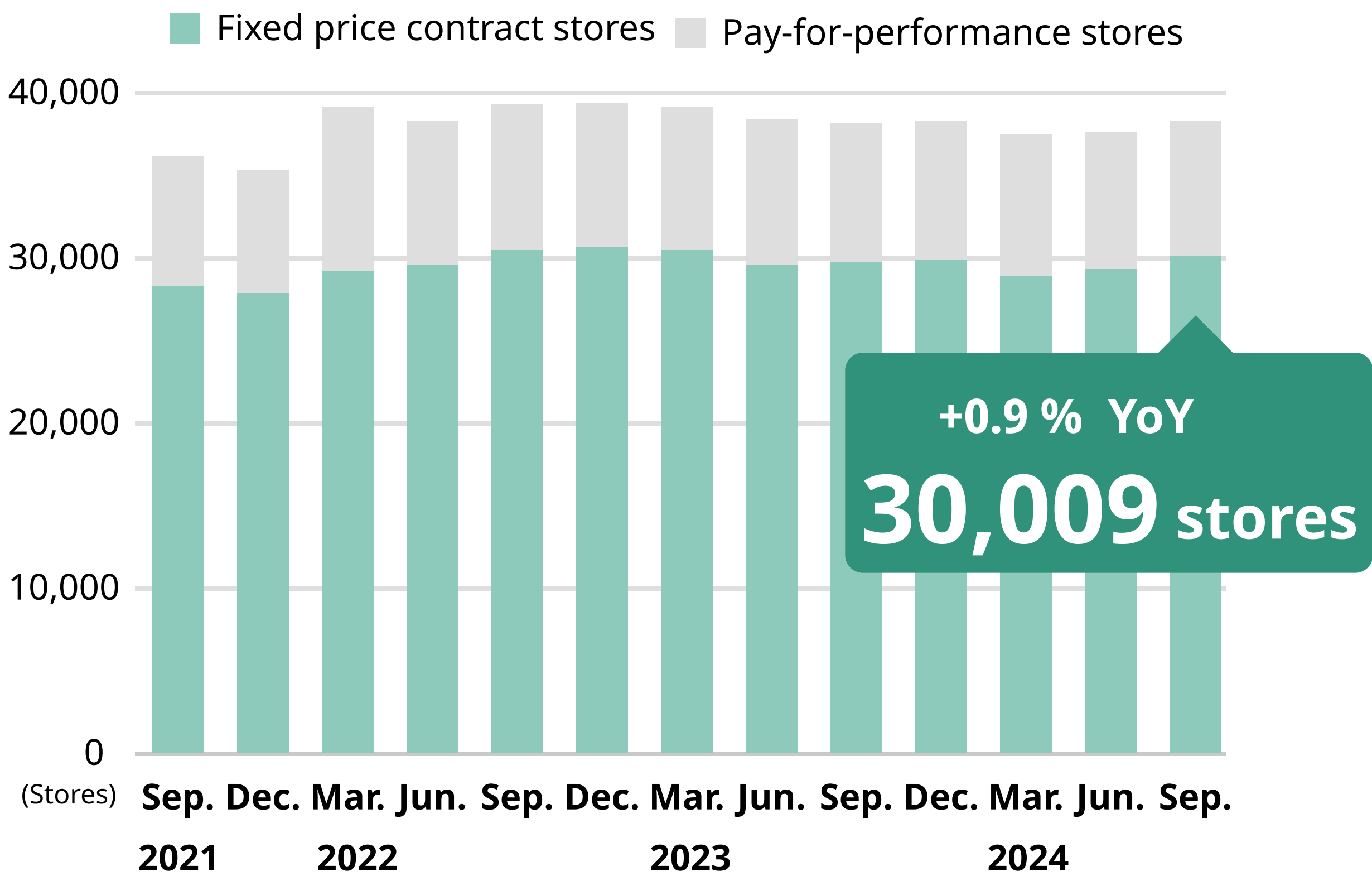
- In the Tokubai business, the growth in the number of subscriber stores was sluggish
- Although efforts were made to reduce costs, the impact on the entire business from the decline in media advertising profits was significant for the full fiscal year



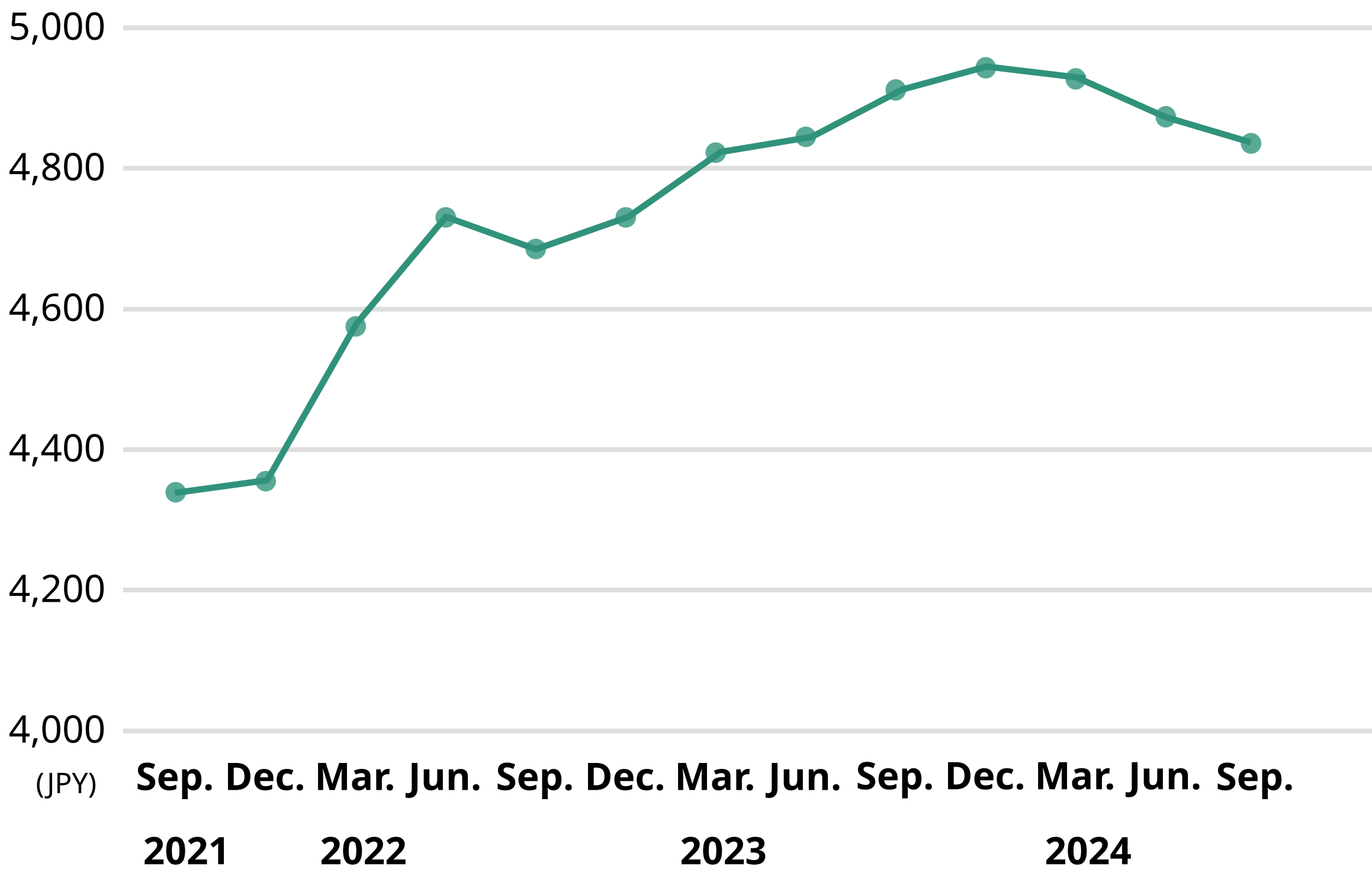
* Kufu Geodata, Inc., which was part of the Investment and Incubation Business, was integrated into Locoguide Inc. on July 1, 2024.

- As of the end of September 2024, there were 38,298 subscriber stores (stores with fixed price contracts were up 0.9% YoY to 30,009)

Subscriber stores



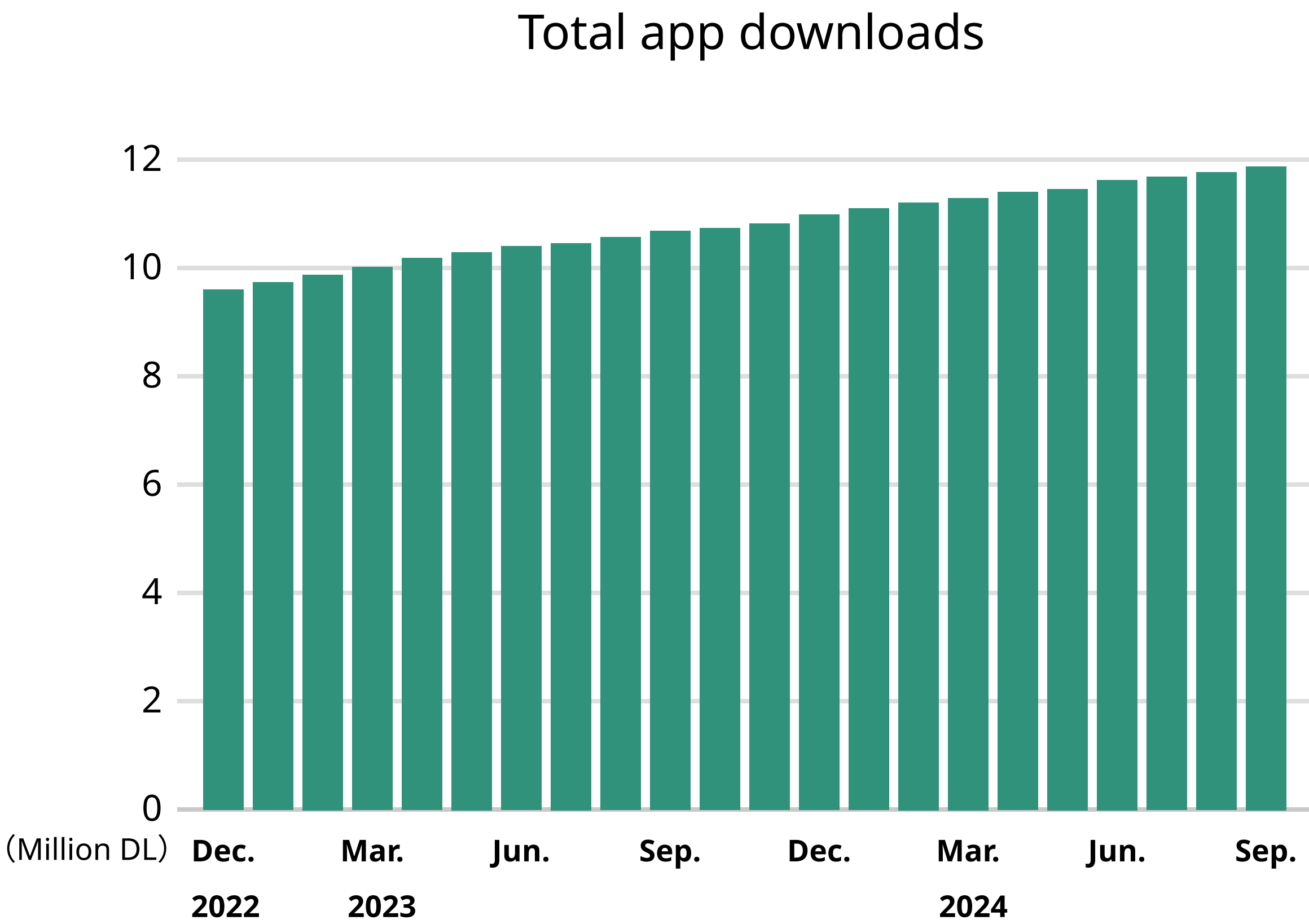
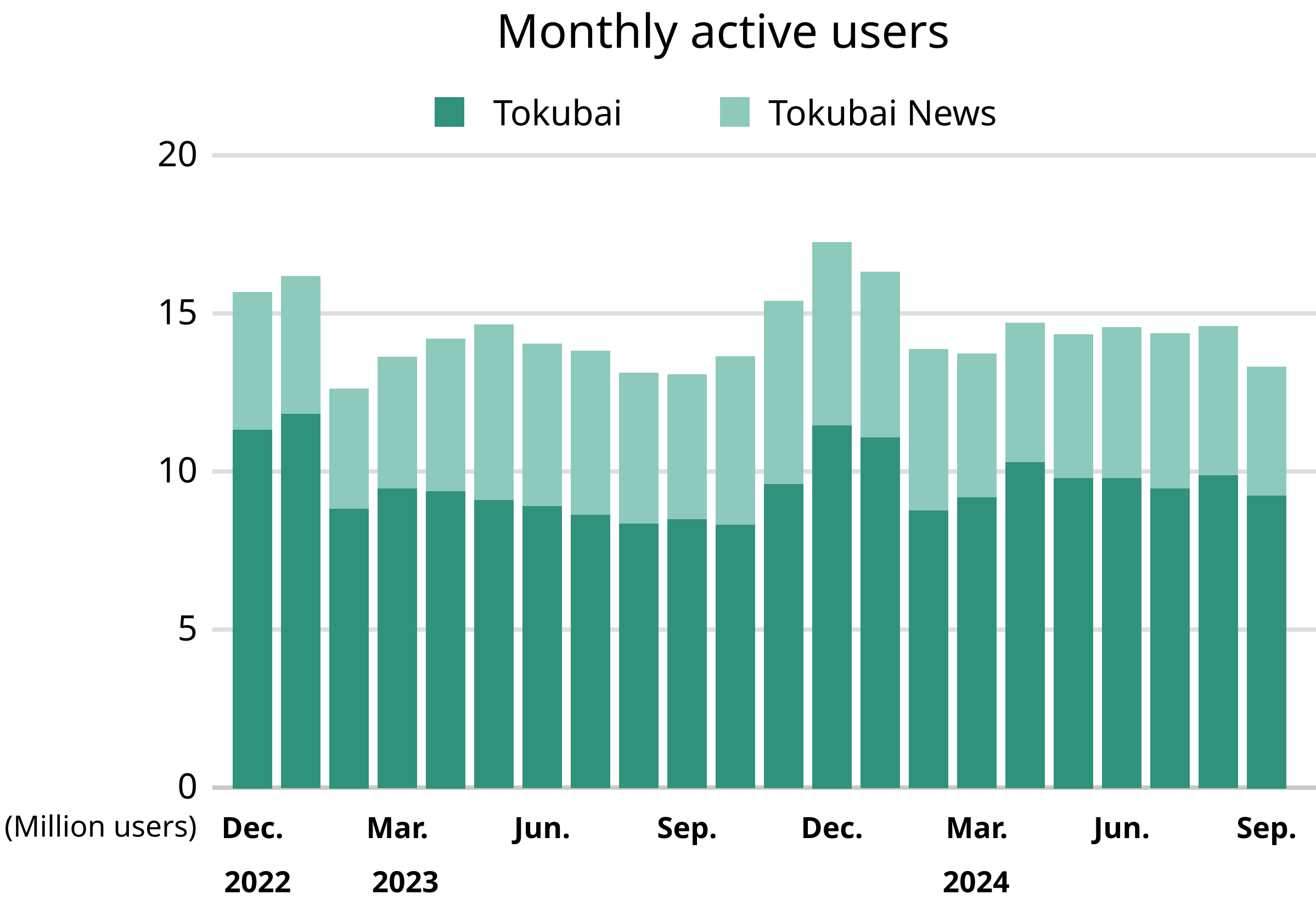
Average unit prices at fixed price contract stores



* The number of subscriber stores and the average unit prices do not include the initiative with approximately 16,000 convenience stores.

Number of Monthly Active Users and App Downloads of Tokubai Service くふうカンパニー

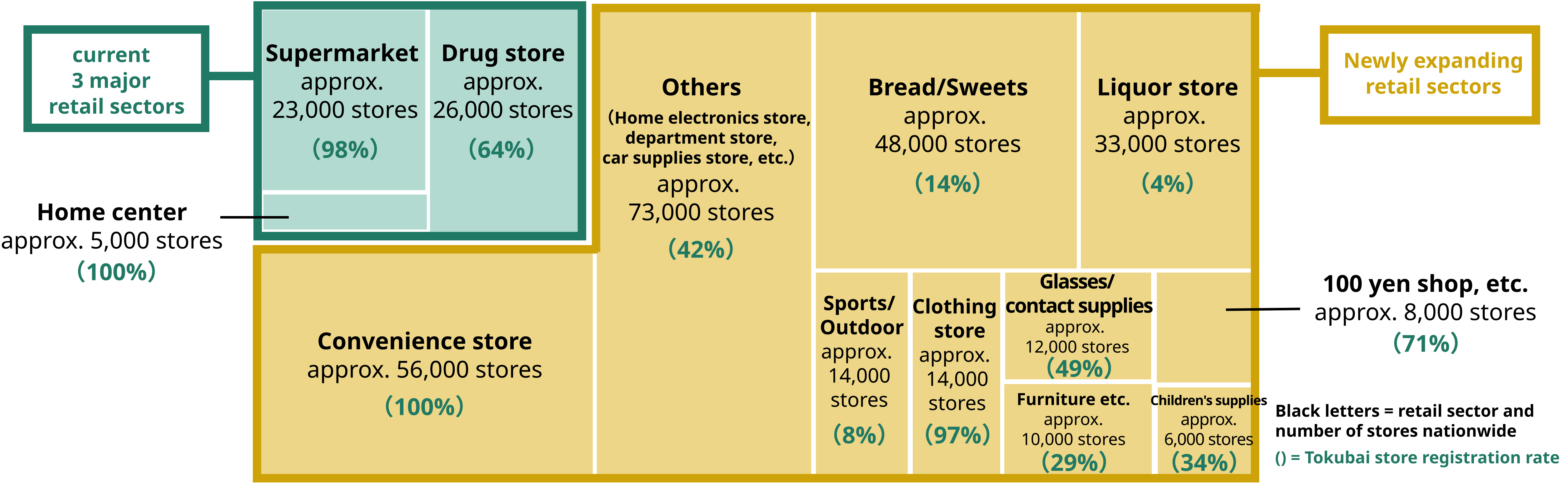
- As of the end of September 2024, the number of monthly active users of Tokubai service was approximately 13 million, and the cumulative number of app downloads was approximately 12 million
- As of the end of September 2024, the number of core users * was 3.65 million (3.13 million as of the end of September 2023)



* Total users who use the functions, such as flyers, recipes, and coupon rather than articles or other light functions, at least once a week.

- In addition to supporting users' diverse shopping activities, we are strengthening sales promotion support for each retail sector

Total market for focus retail sectors (approx. 25 sectors): approx. 330,000 stores *
Number of stores registered for Tokubai service as of end-September 2024:
approx. 170,000 stores (registration rate 52%)

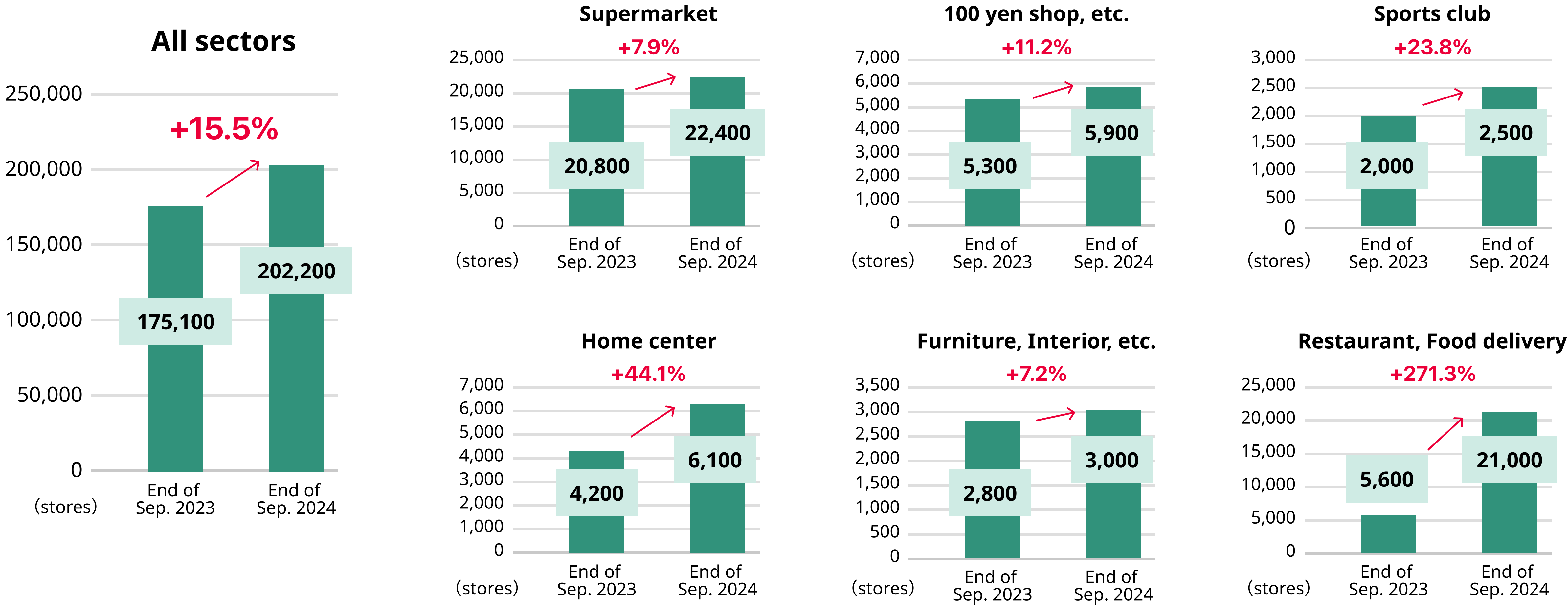


* Calculated by our company based on Ministry of Internal Affairs and Communications "Economic Census", published values by associations of each retail sector and other research companies, etc.

From Digital Flyers to Local Living Information Services くふうカンパニー

- Expanding stores registered for Tokubai service from a wide range of retail sectors beyond flyers to local services

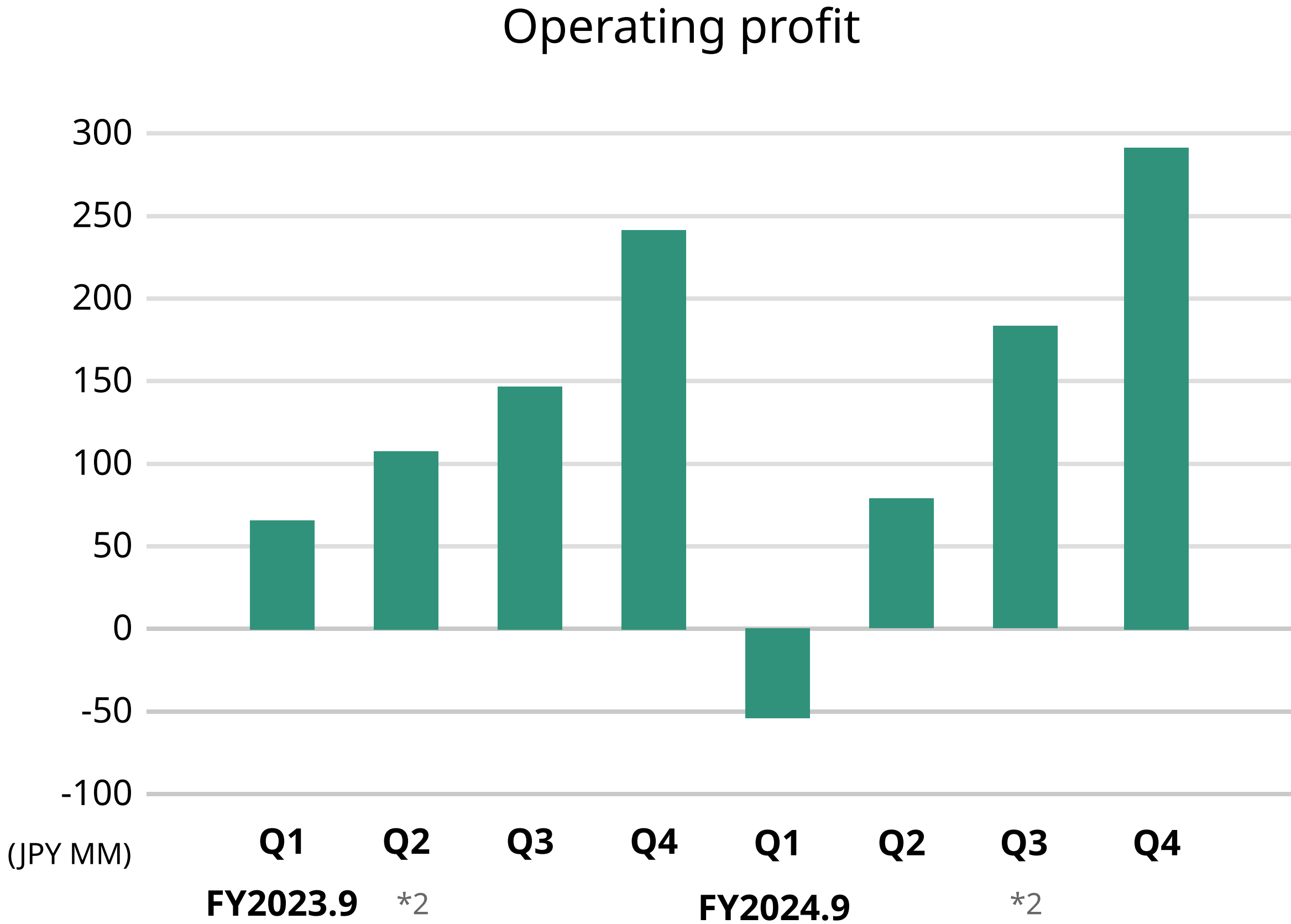
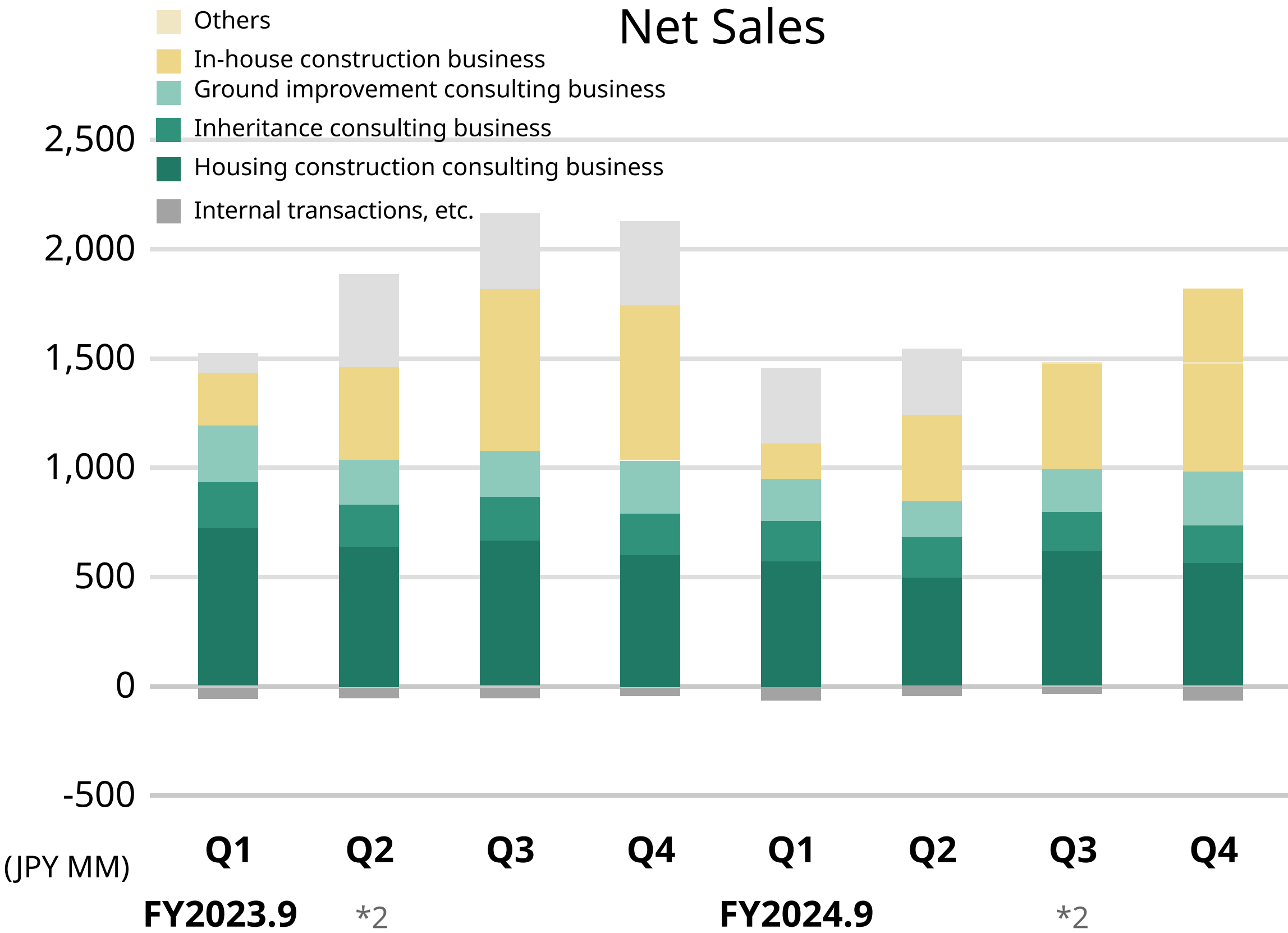
Number of stores registered for Tokubai service (YoY)



Life Event Business

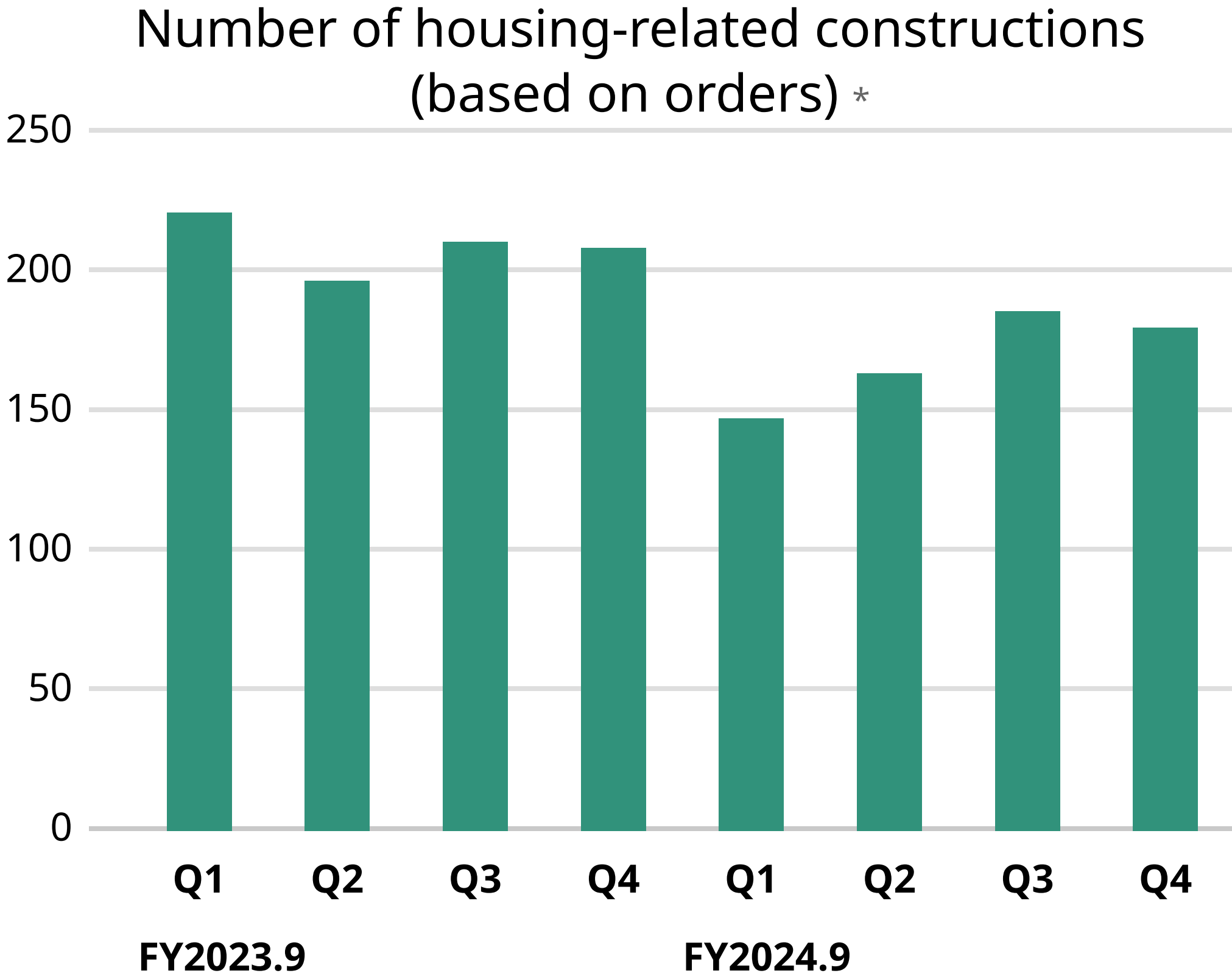
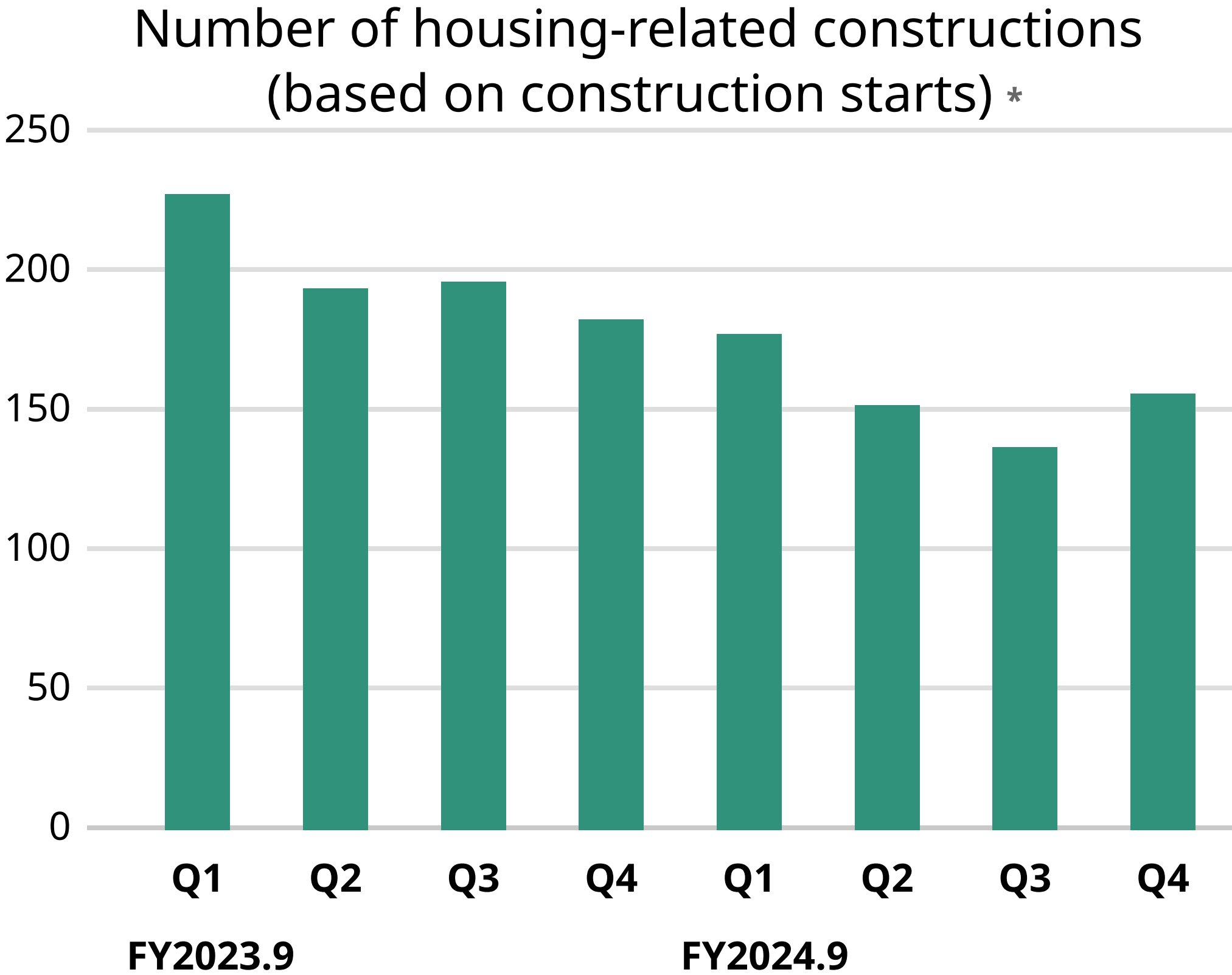


- As the market remained tough, royalty income from construction companies in the housing construction consulting business was below the previous fiscal year
- In the in-house construction business, deliveries were concentrated in H2 due to delivery delays that occurred in H1
- Profitability is improving due to liquidation of unprofitable businesses



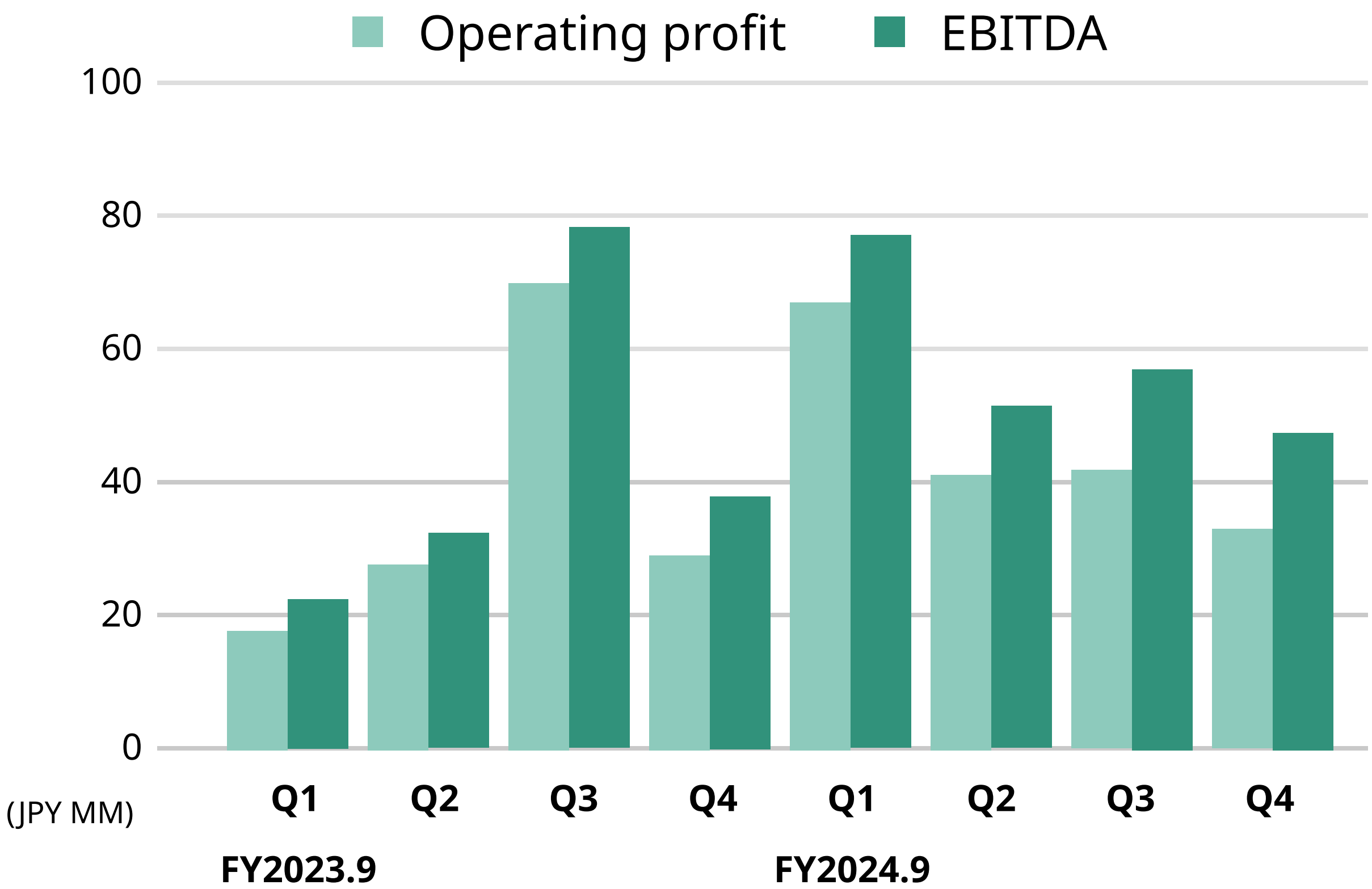
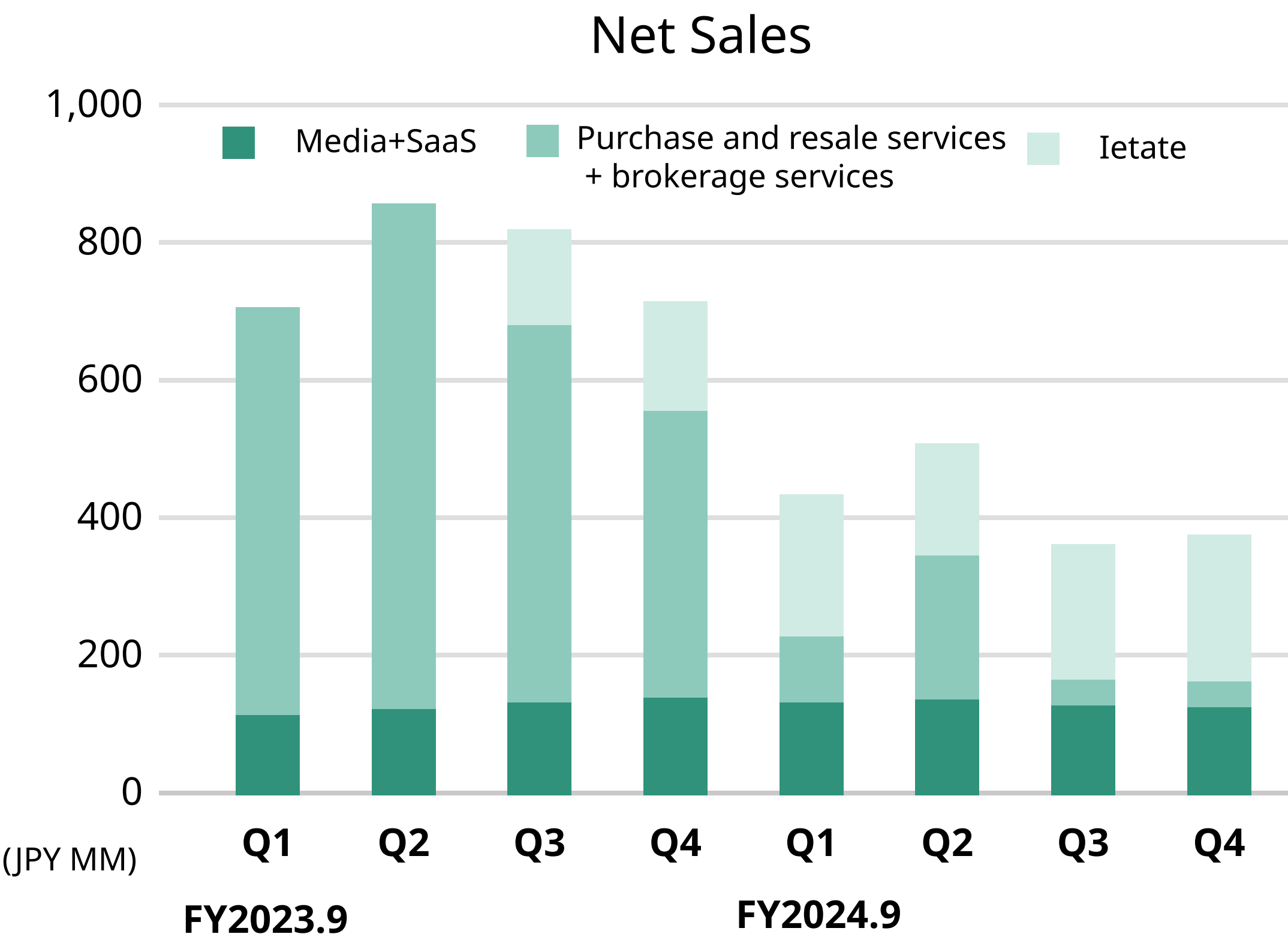
*1 : HyAS & Co. Inc. became wholly owned subsidiary on February 1, 2024 and changed its name to Kufu Sumai Consulting Inc. on August 1, 2024.
*2 : P/L of OM Solar, Inc. was consolidated starting from the second quarter of FY2023.9, and it was excluded from consolidation from the third quarter of FY2024.9 due to a stock transfer.

- As material prices were rising, member construction companies had difficulty attracting customers. The number of housing-related constructions was lower than the previous fiscal year
- There was some success in attracting customers on the web. Renovation products at reasonable prices have been well received, and standard housing products will be offered from FY2025.9



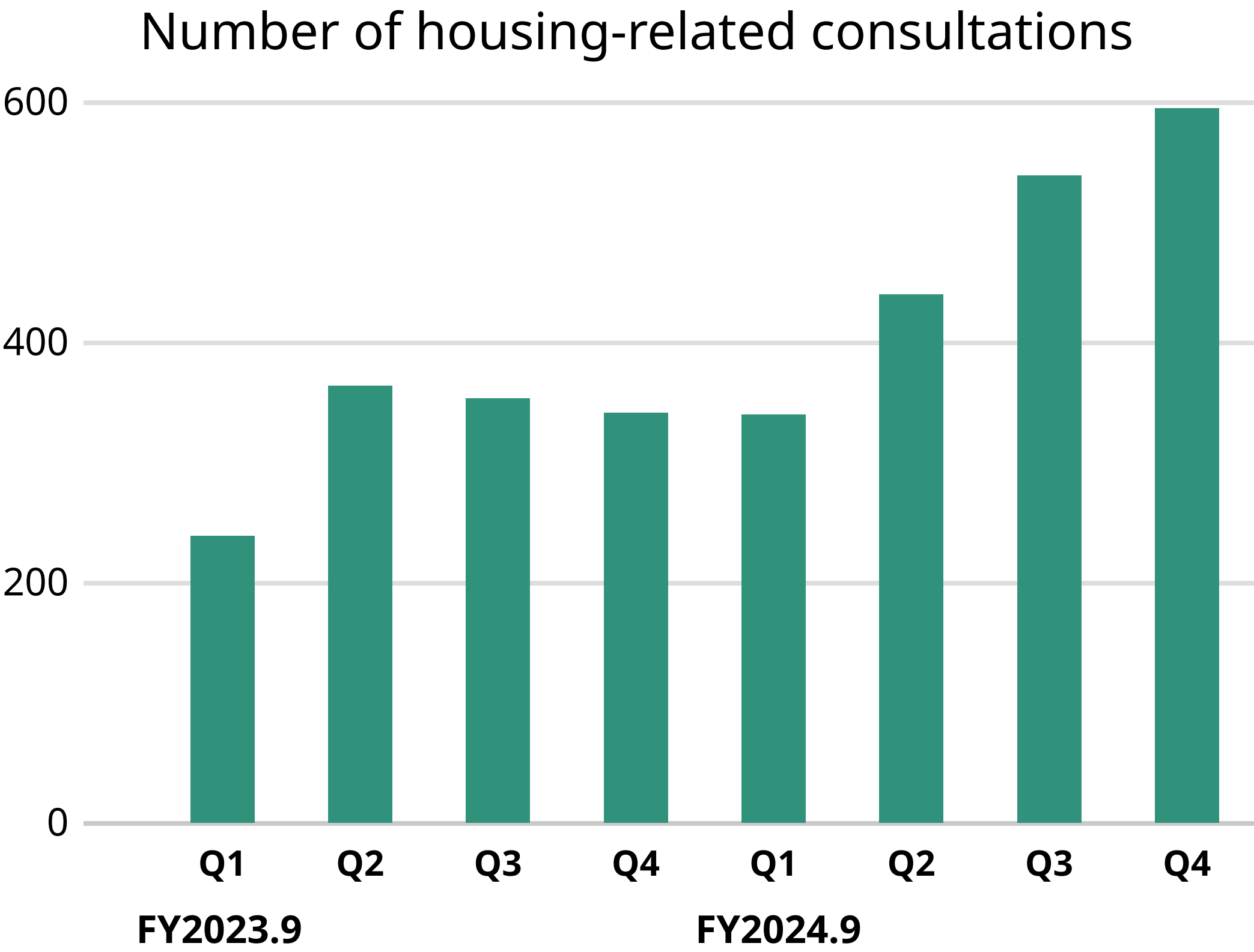
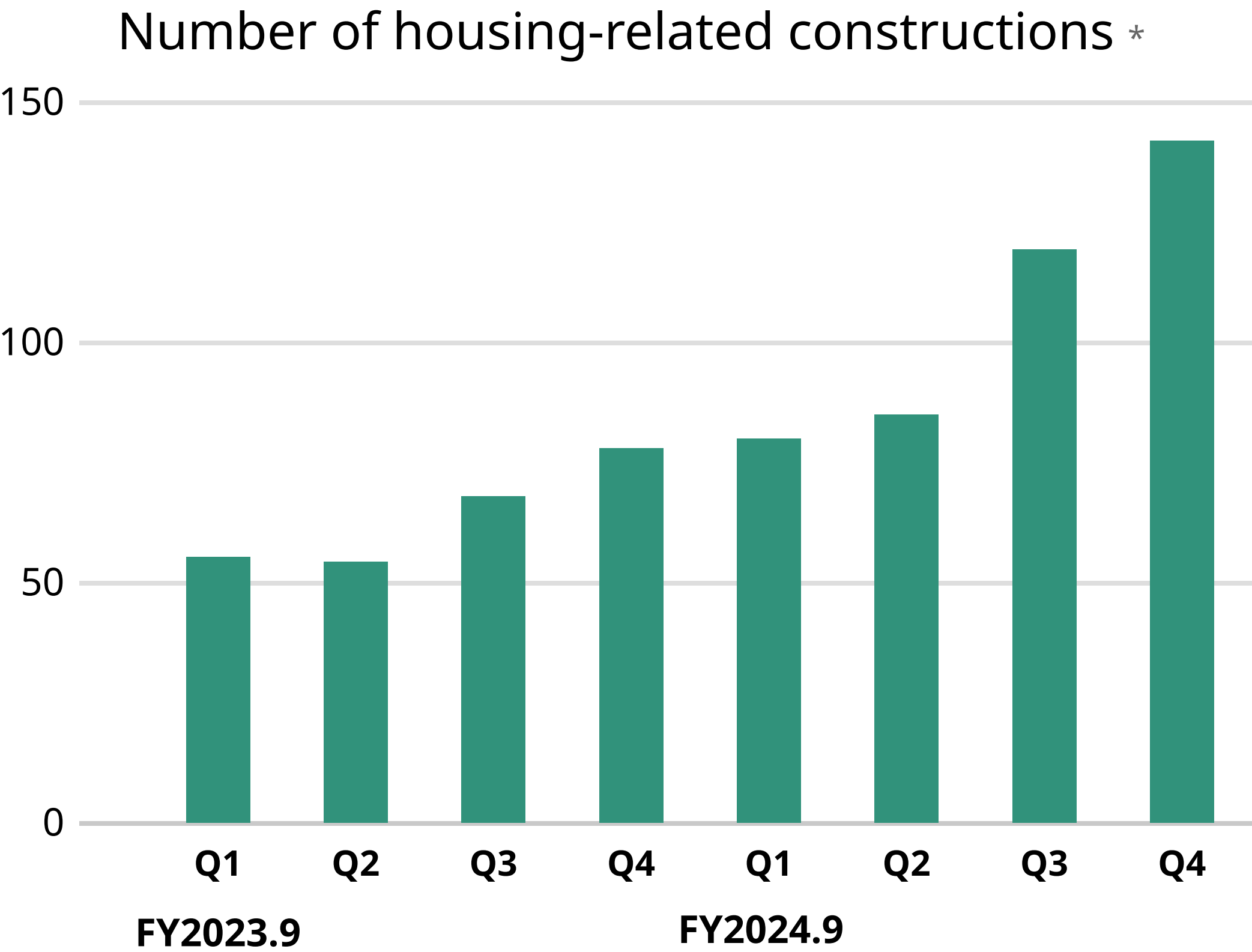
* Calculated based on the number of constructions (new construction or renovation) by member construction companies of Kufu Sumai Consulting Inc. and RplusDM Co. Ltd.

- Sales of SaaS tools were stable
- In the "Ietate" business, the number of consultations and contracts concluded at the stores (consultation counters) increased, and new store openings also progressed largely as planned
- Purchase and resale services made progress in reducing inventory, which has been underway since FY2023.9



Home Domain Business (Kufu Sumai) – Number of Housing-related Constructions くふうカンパニー

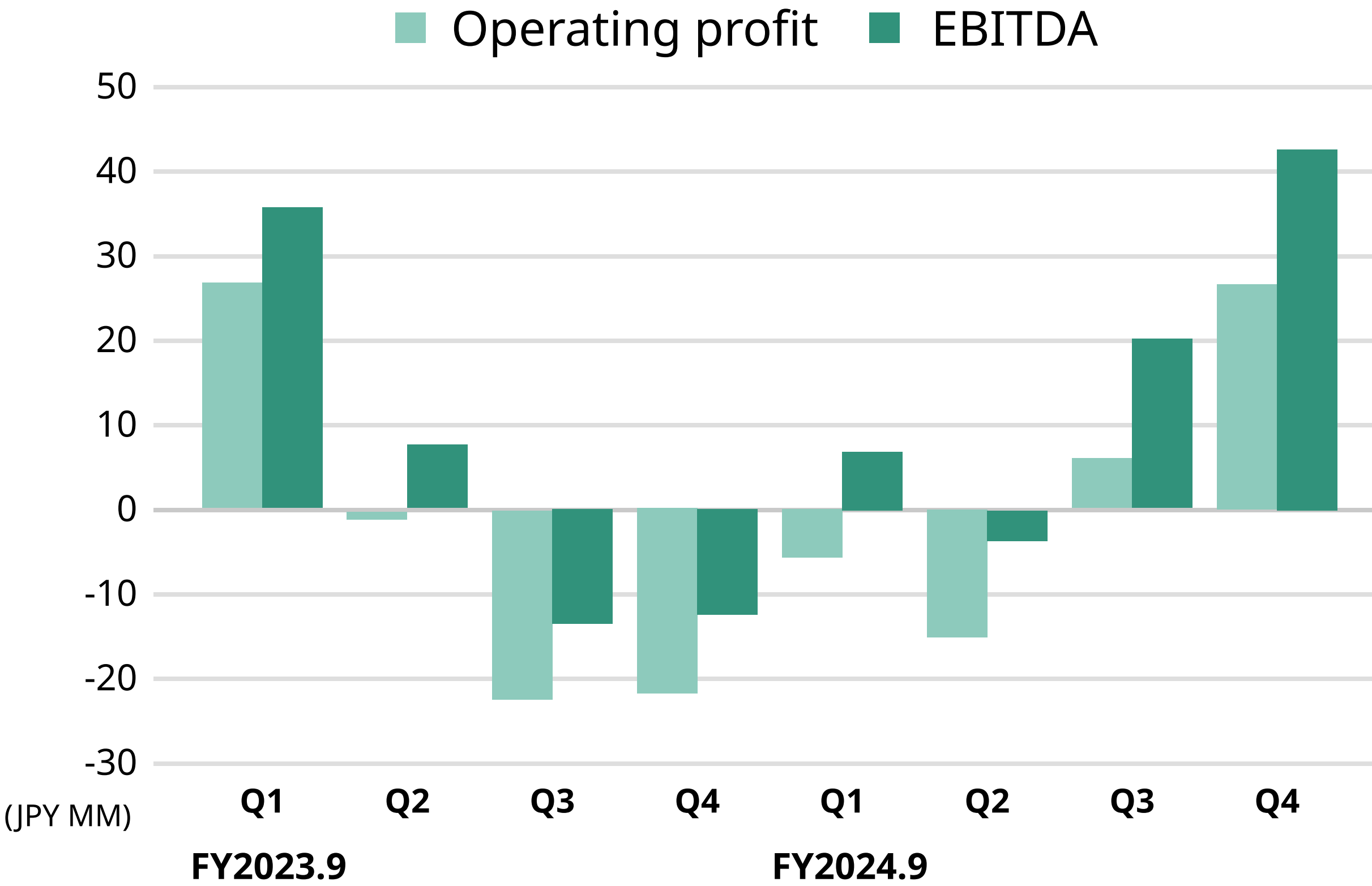
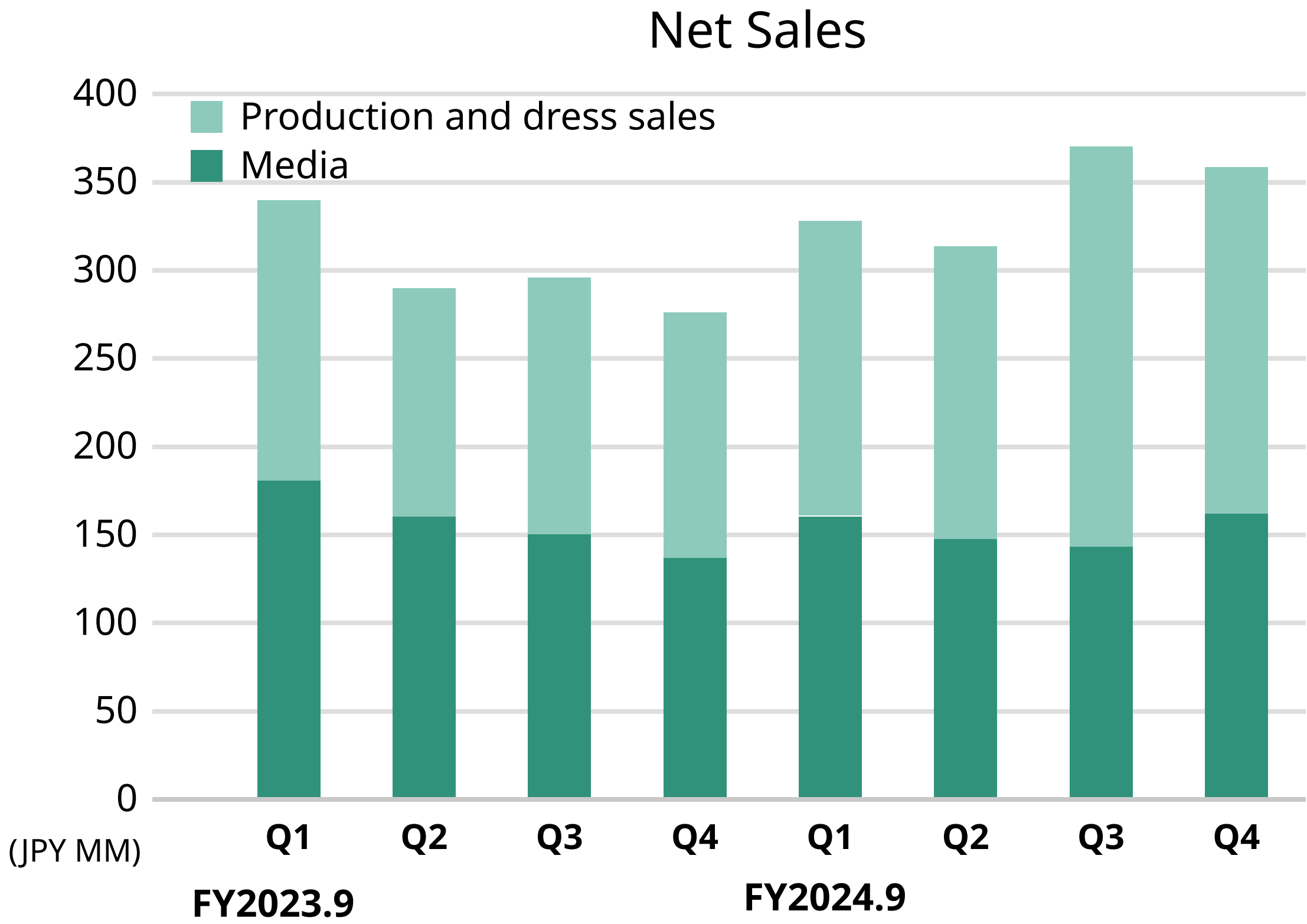
- The number of housing-related constructions and consultations increased due to an increase in existing stores, the opening of new stores, and the holding of housing consultation events
- In FY2024.9, 5 new stores were opened mainly in the Tokai and northern Kanto areas, bringing the total to 11 stores. New store openings are planned to continue in FY2025.9



* Calculated based on the number of cases in which we confirmed that contracts were concluded through the local housing information media "Ietate" or the consultation services "Ietate Soudan Counter".

Marriage Domain Business – Financial Results – Quarterly Trends くふうカンパニー

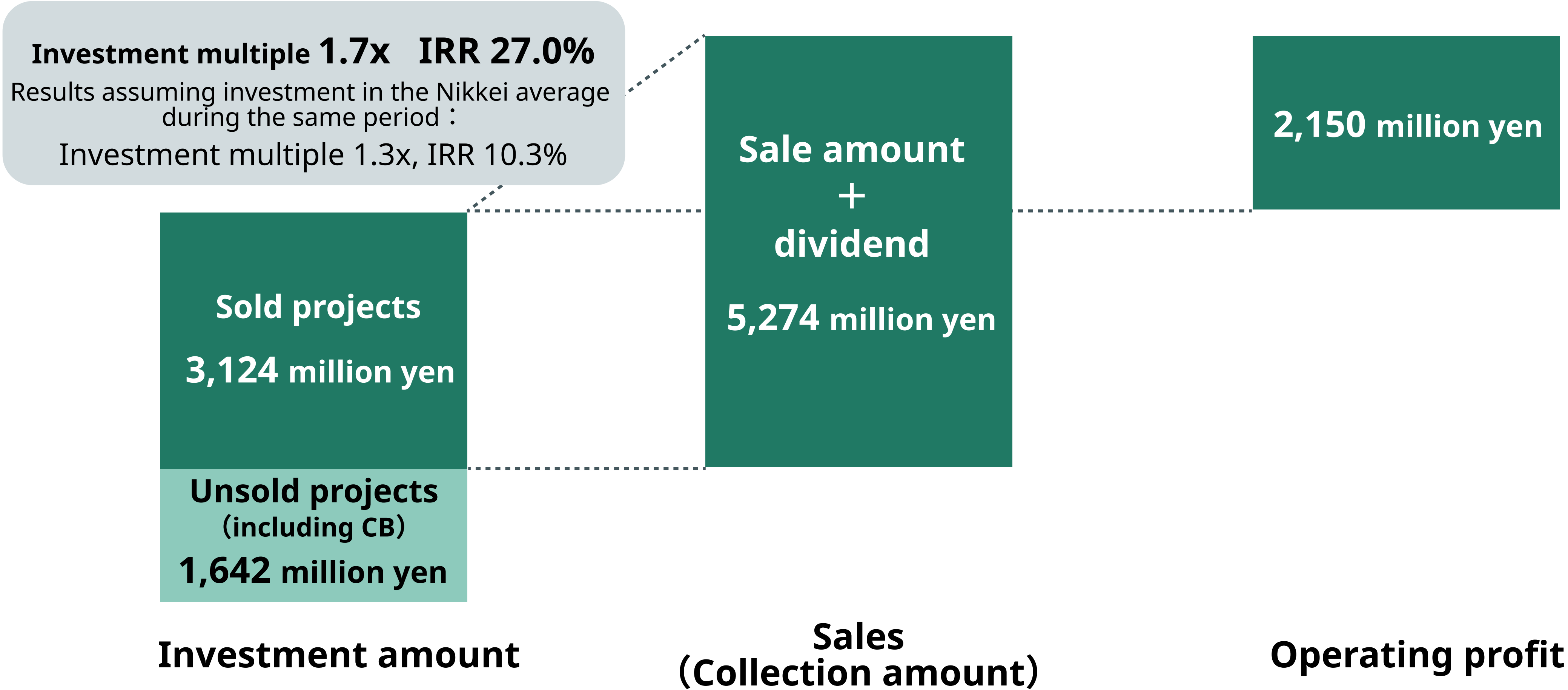
- Although market conditions in the media business were tough, we expanded our services for venues, such as online invitation services and digital document request services, to strengthen profitability
- In the wedding producing business, the number of weddings held increased, and orders remained steady, achieving a full-year profit in the domain



Investment and Incubation Business



- Collected 1.27 billion yen, contributing 540 million yen to profit in FY2024.9
- The investment business policy is to invest only in businesses/companies that have long-term growth potential



* Investment multiple and IRR are calculated based on sold projects.

Important notes

This document contains forward-looking statements. These forward-looking statements are based only on the information made available to Kufu Company as of the date this document was prepared. These statements are not guarantees of future results and involve risks and uncertainties. Accordingly, the actual results may differ materially from those projected herein depending on operating environment and other factors.

Actual results could be affected by, but are not limited to, domestic and international economic conditions and industry trends surrounding Kufu Company.

Kufu Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Information that is not related to Kufu Company is derived from publicly available information. Accordingly, Kufu Company does not verify nor guarantee the accuracy, completeness and correctness of such information.

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