

Translation

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Summary of Consolidated Financial Results for the Six Months Ended March 31, 2025 (Based on Japanese GAAP)

May 15, 2025

Company name: Kufu Company Holdings Inc.
 Stock exchange listing: Tokyo
 Stock code: 4376 URL <https://kufu.co.jp/>
 Representative: Director & Representative Executive Officer Yoshiteru Akita
 Inquiries: Director & Executive Officer Jun Kanma TEL 03-6264-2323
 Scheduled date to file Semi-annual Securities Report: May 15, 2025
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended March 31, 2025 (from October 1, 2024 to March 31, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended March 31, 2025	6,874	(0.3)	201	–	191	–	(211)	–
Six months ended March 31, 2024	6,891	(25.5)	(164)	–	(234)	–	(401)	–

(Note) EBITDA (operating profit + depreciation and amortization): Six months ended March 31, 2025: 774 million yen [118.8%]
 Six months ended March 31, 2024: 354 million yen [(67.9)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended March 31, 2025	(3.53)	–
Six months ended March 31, 2024	(6.78)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2025	18,334	11,892	56.5
As of September 30, 2024	18,875	12,169	56.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended September 30, 2024	–	0.00	–	0.00	0.00
Year ending September 30, 2025	–	0.00			
Year ending September 30, 2025 (Forecast)			–	0.00	0.00

3. Forecast of consolidated financial results for the year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		EBITDA	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	14,000	(9.9)	500	(20.9)	1,600	(6.2)

4. Notes

- (1) Significant changes in the scope of consolidation during the six months ended March 31, 2025: Yes
- (2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of March 31, 2025	59,887,595 shares	As of September 30, 2024	59,887,595 shares
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Number of treasury shares at the end of the period

As of March 31, 2025	97,004 shares	As of September 30, 2024	98,222 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended March 31, 2025	59,789,288 shares	Six months ended March 31, 2024	59,235,556 shares
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Semi-annual consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of September 30, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	7,505	6,197
Accounts receivable - trade	1,125	1,204
Merchandise	64	65
Work in process	93	155
Raw materials and supplies	13	7
Real estate for sale	1,483	1,936
Operational investment securities	1,691	2,053
Other	836	532
Allowance for doubtful accounts	(8)	(6)
Total current assets	12,805	12,145
Non-current assets		
Property, plant and equipment	472	498
Intangible assets		
Goodwill	3,459	3,089
Other	1,015	1,049
Total intangible assets	4,474	4,139
Investments and other assets		
Deferred tax assets	618	639
Other	576	985
Allowance for doubtful accounts	(87)	(86)
Total investments and other assets	1,107	1,538
Total non-current assets	6,055	6,176
Deferred assets		
Share issuance costs	14	11
Total deferred assets	14	11
Total assets	18,875	18,334

	(Millions of yen)	
	As of September 30, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	696	665
Short-term borrowings	1,868	1,443
Current portion of long-term borrowings	640	586
Asset retirement obligations	2	—
Income taxes payable	96	112
Contract liabilities	1,198	1,142
Provision for point services	4	4
Correction related cost	45	45
Other	648	812
Total current liabilities	5,201	4,812
Non-current liabilities		
Long-term borrowings	1,046	1,140
Asset retirement obligations	102	126
Deferred tax liabilities	56	103
Provision for share awards	85	75
Other	213	183
Total non-current liabilities	1,504	1,629
Total liabilities	6,705	6,441
Net assets		
Shareholders' equity		
Share capital	30	30
Capital surplus	8,635	8,623
Retained earnings	2,047	1,836
Treasury shares	(32)	(32)
Total shareholders' equity	10,680	10,458
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	30	(112)
Foreign currency translation adjustment	3	7
Total accumulated other comprehensive income	34	(104)
Share acquisition rights	3	2
Non-controlling interests	1,451	1,536
Total net assets	12,169	11,892
Total liabilities and net assets	18,875	18,334

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Millions of yen)	
	Six months ended March 31, 2024	Six months ended March 31, 2025
Net sales	6,891	6,874
Cost of sales	3,145	3,083
Gross profit	3,746	3,790
Selling, general and administrative expenses	3,910	3,588
Operating profit (loss)	(164)	201
Non-operating income		
Interest income	0	3
Foreign exchange gains	2	5
Other	17	9
Total non-operating income	20	18
Non-operating expenses		
Interest expenses	20	18
Amortization of share issuance costs	—	2
Commission expenses	18	5
Provision for doubtful accounts	20	—
Loss on equity method investment	27	—
Other	4	2
Total non-operating expenses	90	28
Ordinary profit (loss)	(234)	191
Extraordinary income		
Gain on sale of businesses	55	—
Gain on sale of shares of subsidiaries	31	—
Gain on reversal of provision for share awards	2	5
Other	2	1
Total extraordinary income	91	6
Extraordinary losses		
Loss on retirement of non-current assets	33	20
Impairment losses	25	114
Loss on sale of businesses	—	60
Provision for loss on business liquidation	33	—
Loss on business liquidation	6	—
Loss on litigation	6	—
Other	—	0
Total extraordinary losses	105	196
Profit (loss) before income taxes	(248)	1
Income taxes - current	153	178
Income taxes - deferred	56	(30)
Total income taxes	210	147
Loss	(458)	(145)
Profit (loss) attributable to non-controlling interests	(56)	65
Loss attributable to owners of parent	(401)	(211)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended March 31, 2024	Six months ended March 31, 2025
Loss	(458)	(145)
Other comprehensive income		
Valuation difference on available-for-sale securities	6	(143)
Foreign currency translation adjustment	1	4
Total other comprehensive income	7	(139)
Comprehensive income	(450)	(285)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(394)	(350)
Comprehensive income attributable to non-controlling interests	(56)	65

Consolidated statements of cash flows

(Millions of yen)

	Six months ended March 31, 2024	Six months ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	(248)	1
Depreciation	196	232
Impairment losses	25	114
Loss on retirement of non-current assets	33	20
Amortization of goodwill	330	340
Increase (decrease) in allowance for doubtful accounts	29	(2)
Increase (decrease) in provision for loss on business liquidation	33	—
Interest income	(0)	(3)
Interest expenses	20	18
Foreign exchange losses (gains)	(1)	(0)
Loss (gain) on sale of non-current assets	1	(0)
Loss (gain) on sale of businesses	(55)	60
Decrease (increase) in trade receivables	87	(70)
Decrease (increase) in investment securities for sale	(131)	(521)
Decrease (increase) in prepaid expenses	(344)	92
Decrease (increase) in inventories	(149)	(58)
Decrease (increase) in deposits paid	(252)	(44)
Decrease (increase) in real estate for sale	61	(444)
Increase (decrease) in trade payables	(157)	(37)
Increase (decrease) in accounts payable - other	(49)	(53)
Increase (decrease) in accrued expenses	0	103
Increase (decrease) in contract liabilities	(11)	(98)
Decrease (increase) in consumption taxes refund receivable	(4)	46
Increase (decrease) in accrued consumption taxes	(89)	15
Other, net	(15)	61
Subtotal	(690)	(228)
Interest and dividends received	0	2
Income taxes paid	(454)	(162)
Interest paid	(18)	(18)
Subsidies received	0	—
Income taxes refund	69	174
Net cash provided by (used in) operating activities	(1,094)	(230)
Cash flows from investing activities		
Purchase of property, plant and equipment	(41)	(38)
Proceeds from sale of property, plant and equipment	6	0
Purchase of intangible assets	(297)	(312)
Payments for acquisition of businesses	(31)	—
Proceeds from sale of businesses	69	6
Payments of leasehold and guarantee deposits	(32)	(20)
Proceeds from refund of leasehold and guarantee deposits	14	11
Payments for asset retirement obligations	(0)	(5)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(219)	(329)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(28)	—
Other, net	3	(15)
Net cash provided by (used in) investing activities	(558)	(702)

	(Millions of yen)	
	Six months ended March 31, 2024	Six months ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(325)	(424)
Proceeds from long-term borrowings	26	380
Repayments of long-term borrowings	(817)	(339)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	28	—
Redemption of bonds	(8)	—
Purchase of treasury shares	(679)	(0)
Proceeds from share issuance to non-controlling shareholders	10	7
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(321)	—
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	94	—
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(1,994)	(378)
Effect of exchange rate change on cash and cash equivalents	3	4
Net increase (decrease) in cash and cash equivalents	(3,644)	(1,308)
Cash and cash equivalents at beginning of period	9,369	7,475
Cash and cash equivalents at end of period	5,724	6,167