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Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP]



May 14, 2025

Company name: Synchro Food Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 3963
 URL: <https://www.synchro-food.co.jp>
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 Scheduled date of annual general meeting of shareholders: June 25, 2025
 Scheduled date of commencing dividend payments: June 26, 2025
 Scheduled date of filing securities report: June 27, 2025
 Availability of financial results briefing materials: Available
 Schedule of financial results briefing session: Scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	3,951	9.7	1,097	5.7	1,086	4.8	659	(6.4)
March 31, 2024	3,602	22.9	1,038	18.5	1,036	18.0	704	12.1

Note: Comprehensive income: Fiscal year ended March 31, 2025: 659 million yen [(6.6)%]

Fiscal year ended March 31, 2024: 705 million yen [12.3%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	24.01	24.01	13.7	19.4	27.8
March 31, 2024	26.36	26.29	18.0	22.2	28.8

Reference: Equity in earnings of affiliated companies: Fiscal year ended March 31, 2025: – million yen

Fiscal year ended March 31, 2024: – million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	6,130	5,326	86.9	184.96
As of March 31, 2024	5,069	4,291	84.6	160.08

Reference: Equity: As of March 31, 2025: 5,326 million yen

As of March 31, 2024: 4,290 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2025	439	(10)	374	4,947
March 31, 2024	742	(530)	49	4,144

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2024	—	0.00	—	10.00	10.00	268	37.9	6.8
Fiscal year ended March 31, 2025	—	0.00	—	15.00	15.00	431	62.5	8.7
Fiscal year ending March 31, 2026 (Forecast)	—	—	—	15.00	15.00		74.6	

Note: Breakdown of the year-end dividends for the fiscal year ended March 31, 2024:
ordinary dividend: 5.00 yen; commemorative dividend: 5.00 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	4,100	3.8	820	(25.3)	820	(24.5)	574	(12.9)	20.16

* Notes:

- (1) Significant changes in the scope of consolidation during the period: None
Newly included: — (), Excluded: — ()
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (3) Total number of issued and outstanding shares (common shares)
 - 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

March 31, 2025:	29,123,000 shares
March 31, 2024:	27,003,000 shares
 - 2) Total number of treasury shares at the end of the period:

March 31, 2025:	327,842 shares
March 31, 2024:	198,733 shares
 - 3) Average number of shares during the period:

Fiscal year ended March 31, 2025:	27,447,601 shares
Fiscal year ended March 31, 2024:	26,703,689 shares

Reference: Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
Year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	3,672	6.5	991	(3.9)	998	(3.2)	599	(14.5)
March 31, 2024	3,448	24.4	1,031	22.8	1,031	22.7	701	16.2

	Basic earnings per share	Diluted earnings per share
Year ended	Yen	Yen
March 31, 2025	21.84	21.84
March 31, 2024	26.27	26.20

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	5,953	5,226	87.8	181.50
As of March 31, 2024	5,007	4,251	84.9	158.59

Reference: Equity: As of March 31, 2025: 5,226 million yen

As of March 31, 2024: 4,250 million yen

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

The financial results forecast and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and are not intended as the Company's guarantee to achieve them. Actual results may differ significantly due to various factors. For conditions underlying the results forecast and matters of note on the use of the results forecast and other material, please see "1. Overview of Operating Results, etc. (4) Future Outlook" on page 4 of Attachments.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review, the Group's financial results were net sales of 3,951,497 thousand yen (up 9.7% year on year), operating profit of 1,097,201 thousand yen (up 5.7% year on year), ordinary profit of 1,086,368 thousand yen (up 4.8% year on year), and profit attributable to owners of parent of 659,265 thousand yen (down 6.4% year on year).

Net sales by service category comprises 2,994,824 thousand yen in Service in Stage 3 (operating) (up 2.8% year on year), 664,887 thousand yen (up 51.2% year on year) in Service in Stages 1, 2, 4 (preparation, opening and closing business), and 291,785 thousand yen (up 17.1% year on year) in Other.

During the six months ended September 30, 2024, tentative accounting related to business combination was finalized. For comparisons and analyses with the previous fiscal year, revised figures that reflect the finalization of tentative accounting have been used.

Status by segment is as follows.

[Media Platform business]

The Media Platform business comprises services offered to restaurant operators through Inshokuten.com as well as services offered to related business operators including real estate agents and food suppliers who offer their services via Inshokuten.com.

As of March 31, 2025, the number of registered Inshokuten.com members was 317,138 (up 8.5% year on year), showing steady growth, helped by a continuing steady trend in store opening, refurbishment, changes in business format, and other activities. In the recruitment advertising services, while demand for recruitment in the restaurant industry remained strong, the overall recruitment market experienced a slowdown. The number of paid users (Note 1), a key performance indicator, fell to 10,836 (down 13.9% year on year), mainly due to a decline in kitchen fixture purchase users.

In addition, the number of real estate agents, interior furnishing service providers, and related business operators who provide services via Inshokuten.com, increased to 5,112 companies (up 2.8% year on year). (Note 2)

As a result of the above, net sales in the Media Platform business were 3,625,456 thousand yen (up 6.4% year on year), and segment profit was 983,507 thousand yen (down 5.9% year on year).

[M&A Services business]

This business comprises M&A-related services such as business transfers and share transfers, and support services to facilitate fully-furnished asset transfers, where the business can be transferred without removing the furnishings of the former restaurant operator.

Net sales increased due to the steady progress in closing small- and medium-sized M&A deals and the continued growth in the closing of fully-furnished asset transfer deals.

As a result of the above, net sales in the M&A Services business were 326,046 thousand yen (up 66.1% year on year), and segment profit was 97,773 thousand yen (segment loss of 7,763 thousand yen in the previous fiscal year).

- Notes: 1. The figure represents the number of members using the following paid services as of March 31, 2025: "Inshokuten.com tenpobukensagashi" (a store properties information site); "Kyujin@inshokuten.com" (a recruitment information site); "Inshokuten.com chubobihinkounyu" (a kitchen equipment information site); and "PlaceOrders."
2. This is the number of operators registered as real estate agents, interior furnishing service providers, and food suppliers as of March 31, 2025. (Excluding the interior furnishing service providers registered with Naisoh-kenchiku.com)

(2) Overview of Financial Position for the Fiscal Year under Review

(Assets)

Current assets at the end of the fiscal year under review increased by 1,272,031 thousand yen from the end of the previous fiscal year to 5,683,214 thousand yen. The increase was mainly attributable to a rise in cash and deposits (an increase of 803,461 thousand yen from the end of the previous fiscal year) resulting from the issuance of new shares, as well as an increase in deposits paid (an increase of 430,995 thousand yen from the end of the previous fiscal year) for the purchase of treasury shares. Non-current assets decreased by 211,290 thousand yen from the end of the previous fiscal year to 447,462 thousand yen. The decrease was mainly due to decreases in goodwill (a decrease of 160,902 thousand yen from the end of the previous fiscal year) and customer-related intangible assets (a decrease of 48,011 thousand yen from the end of the previous fiscal year). As a result of the above, total assets amounted to 6,130,677 thousand yen (an increase of 1,060,740 thousand yen from the end of the previous fiscal year).

(Liabilities)

Current liabilities at the end of the fiscal year under review increased by 25,945 thousand yen from the end of the previous fiscal year to 772,575 thousand yen. The increase was mainly due to increases in accrued consumption taxes (an increase of 82,707 thousand yen from the end of the previous fiscal year) and contract liabilities (an increase of 23,100 thousand yen from the end of the previous fiscal year). The decrease was mainly due to a decrease in income taxes payable (a decrease of 70,124 thousand yen from the end of the previous fiscal year). Non-current liabilities increased by 31 thousand yen from the end of the previous fiscal year to 31,989 thousand yen. As a result of the above, total liabilities amounted to 804,564 thousand yen (an increase of 25,977 thousand yen from the end of the previous fiscal year).

(Net assets)

Net assets at the end of the fiscal year under review increased by 1,034,763 thousand yen from the end of the previous fiscal year to 5,326,112 thousand yen. The increase was mainly attributable to increases in share capital (an increase of 347,250 thousand yen from the end of the previous fiscal year) as a result of the issuance of new shares, capital surplus (an increase of 346,702 thousand yen from the end of the previous fiscal year) as a result of the issuance of new shares, and retained earnings (an increase of 391,223 thousand yen from the end of the previous fiscal year) as a result of the reporting of profit attributable to owners of parent.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents ("net cash") at the end of the fiscal year under review were 4,947,696 thousand yen, an increase of 803,460 thousand yen from the end of the previous fiscal year. The status of cash flows at the end of the fiscal year under review and their underlying factors are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 439,092 thousand yen (742,197 thousand yen provided in the previous fiscal year). This was mainly attributable to the reporting of profit before income taxes of 924,236 thousand yen and income taxes paid of 360,163 thousand yen.

(Cash flows from investing activities)

Net cash used in investing activities was 10,584 thousand yen (530,536 thousand yen used in the previous fiscal year). This was mainly attributable to payments of leasehold and guarantee deposits of 8,327 thousand yen.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to 374,951 thousand yen (49,067 thousand yen provided

in the previous fiscal year). This was mainly attributable to proceeds from issuance of shares of 630,011 thousand yen and dividends paid of 239,631 thousand yen.

(4) Future Outlook

For the consolidated financial results forecast for the fiscal year ending March 31, 2026, the Company expects net sales of 4,100 million yen, operating profit of 820 million yen, ordinary profit of 820 million yen, and profit attributable to owners of parent of 574 million yen. In order to achieve sustainable growth, we have set targets of 10,000 million yen in net sales and 3,000 million yen in operating profit for the fiscal year ending March 31, 2030.

2. Basic Policy on Selection of Accounting Standards

The Company intends to adopt Japanese GAAP for the time being, in light of the fact that it operates its businesses in Japan and upon monitoring the trends of peer companies in adopting International Financial Reporting Standards (IFRS).

The Company will appropriately work on the adoption of IFRS, upon considering the circumstances in Japan and overseas.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	4,194,297	4,997,759
Accounts receivable - trade	171,524	181,151
Inventories	—	14,910
Prepaid expenses	39,842	52,522
Income taxes refund receivable	1,932	—
Deposits paid	—	430,995
Other	11,858	16,505
Allowance for doubtful accounts	(8,272)	(10,627)
Total current assets	4,411,183	5,683,214
Non-current assets		
Property, plant and equipment		
Buildings, net	54,832	47,387
Tools, furniture and fixtures, net	13,119	12,391
Total property, plant and equipment	67,951	59,778
Intangible assets		
Goodwill	215,618	54,715
Customer-related intangible assets	103,197	55,185
Software	22,655	—
Total intangible assets	341,470	109,901
Investments and other assets		
Investment securities	15,141	14,952
Investments in capital	300	300
Leasehold and guarantee deposits	106,470	114,797
Deferred tax assets	115,881	139,366
Other	11,538	8,367
Total investments and other assets	249,331	277,783
Total non-current assets	658,753	447,462
Total assets	5,069,936	6,130,677

(Thousand yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	28,324	30,256
Accounts payable - other	82,060	61,966
Accrued expenses	59,578	47,640
Income taxes payable	216,811	146,687
Accrued consumption taxes	32,051	114,758
Contract liabilities	309,349	332,450
Deposits received	18,453	34,003
Other	—	4,811
Total current liabilities	746,629	772,575
Non-current liabilities		
Asset retirement obligations	31,958	31,989
Total non-current liabilities	31,958	31,989
Total liabilities	778,587	804,564
Net assets		
Shareholders' equity		
Share capital	535,051	882,301
Capital surplus	523,665	870,368
Retained earnings	3,338,996	3,730,220
Treasury shares	(108,230)	(158,009)
Total shareholders' equity	4,289,482	5,324,880
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,379	1,232
Total accumulated other comprehensive income	1,379	1,232
Share acquisition rights	486	—
Total net assets	4,291,348	5,326,112
Total liabilities and net assets	5,069,936	6,130,677

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

(Thousand yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	3,602,635	3,951,497
Cost of sales	580,159	711,636
Gross profit	3,022,476	3,239,860
Selling, general and administrative expenses	1,984,204	2,142,658
Operating profit	1,038,271	1,097,201
Non-operating income		
Interest income	38	2,512
Dividend income	6	6
Settlement income	—	1,500
Other	—	56
Total non-operating income	44	4,075
Non-operating expenses		
Donations	1,000	—
Settlement payments	900	3,770
Share issuance costs	—	10,568
Commission for purchase of treasury shares	—	569
Foreign exchange losses	201	—
Total non-operating expenses	2,101	14,907
Ordinary profit	1,036,215	1,086,368
Extraordinary income		
Gain on reversal of share acquisition rights	8	86
Total extraordinary income	8	86
Extraordinary losses		
Impairment losses	—	162,218
Total extraordinary losses	—	162,218
Profit before income taxes	1,036,223	924,236
Income taxes - current	320,700	288,413
Income taxes - deferred	11,354	(23,443)
Total income taxes	332,055	264,970
Profit	704,168	659,265
Profit attributable to owners of parent	704,168	659,265

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	704,168	659,265
Other comprehensive income		
Valuation difference on available-for-sale securities	1,379	(131)
Total other comprehensive income	1,379	(131)
Comprehensive income	705,548	659,134
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	705,548	659,134
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Thousand yen)

Effect of finalization of temporary accounting	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	510,517	498,517	2,634,828	(109,900)	3,533,962
Changes during period					
Issuance of new shares					
Issuance of new shares - exercise of share acquisition rights	24,533	24,533			49,067
Dividends of surplus					
Profit attributable to owners of parent			704,168		704,168
Purchase of treasury shares				(15)	(15)
Disposal of treasury shares		614		1,685	2,299
Net changes in items other than shareholders' equity					
Total changes during period	24,533	25,147	704,168	1,670	755,520
Balance at end of period	535,051	523,665	3,338,996	(108,230)	4,289,482

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	—	—	858	3,534,820
Changes during period				
Issuance of new shares				
Issuance of new shares - exercise of share acquisition rights				49,067
Dividends of surplus				
Profit attributable to owners of parent				704,168
Purchase of treasury shares				(15)
Disposal of treasury shares				2,299
Net changes in items other than shareholders' equity	1,379	1,379	(372)	1,007
Total changes during period	1,379	1,379	(372)	756,528
Balance at end of period	1,379	1,379	486	4,291,348

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	535,051	523,665	3,338,996	(108,230)	4,289,482
Changes during period					
Issuance of new shares	320,290	320,290			640,580
Issuance of new shares - exercise of share acquisition rights	26,960	26,960			53,920
Dividends of surplus			(268,042)		(268,042)
Profit attributable to owners of parent			659,265		659,265
Purchase of treasury shares				(68,378)	(68,378)
Disposal of treasury shares		(547)		18,599	18,052
Net changes in items other than shareholders' equity					
Total changes during period	347,250	346,702	391,223	(49,778)	1,035,397
Balance at end of period	882,301	870,368	3,730,220	(158,009)	5,324,880

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	1,379	1,379	486	4,291,348
Changes during period				
Issuance of new shares				640,580
Issuance of new shares - exercise of share acquisition rights				53,920
Dividends of surplus				(268,042)
Profit attributable to owners of parent				659,265
Purchase of treasury shares				(68,378)
Disposal of treasury shares				18,052
Net changes in items other than shareholders' equity	(147)	(147)	(486)	(633)
Total changes during period	(147)	(147)	(486)	1,034,763
Balance at end of period	1,232	1,232	—	5,326,112

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	1,036,223	924,236
Depreciation	9,975	18,686
Amortization of goodwill	33,081	41,756
Amortization of customer-related assets	15,181	19,338
Impairment losses	—	162,218
Share-based payment expenses	10,573	6,769
Share issuance costs	—	10,568
Expenses for treasury stocks	—	569
Increase (decrease) in allowance for doubtful accounts	1,074	2,355
Interest and dividend income	(44)	(2,518)
Settlement payments	900	1,500
Settlement income	—	(1,500)
Donation	1,000	—
Foreign exchange losses (gains)	201	—
Decrease (increase) in trade receivables	(18,725)	(9,626)
Decrease (increase) in inventories	—	(14,910)
Decrease (increase) in prepaid expenses	(7,530)	(1,396)
Decrease (increase) in income taxes receivable	(1,932)	1,932
Decrease (increase) in deposits paid	—	(430,995)
Increase (decrease) in trade payables	(15,644)	1,931
Increase (decrease) in contract liabilities	21,634	23,100
Increase (decrease) in accounts payable - other	(6,480)	(20,295)
Increase (decrease) in accrued expenses	21,250	(11,937)
Increase (decrease) in accrued consumption taxes	(54,883)	82,707
Other, net	(3,041)	(7,754)
Subtotal	1,042,814	796,737
Interest and dividends received	44	2,518
Settlement received	—	1,500
Settlement paid	(900)	(1,500)
Payment of contribution	(1,000)	—
Income taxes paid	(298,761)	(360,163)
Net cash provided by (used in) operating activities	742,197	439,092
Cash flows from investing activities		
Payments into time deposits	(50,061)	(50,062)
Proceeds from withdrawal of time deposits	50,062	50,062
Purchase of property, plant and equipment	(20,394)	(2,258)
Payments of leasehold and guarantee deposits	(35,287)	(8,327)
Proceeds for lease and guarantee deposits	144	—
Payments for acquisition of businesses	(475,000)	—
Net cash provided by (used in) investing activities	(530,536)	(10,584)
Cash flows from financing activities		
Proceeds from issuance of shares	—	630,011
Proceeds from issuance of shares resulting from exercise of share acquisition rights	49,067	53,520
Purchase of treasury shares	—	(68,948)
Dividends paid	—	(239,631)
Net cash provided by (used in) financing activities	49,067	374,951
Net increase (decrease) in cash and cash equivalents	260,728	803,460
Cash and cash equivalents at beginning of period	3,883,507	4,144,235
Cash and cash equivalents at end of period	4,144,235	4,947,696

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes when there are significant changes in amounts of equity)

The Company resolved, at the meeting of the Board of Directors held on December 11, 2024, to issue new shares through public offering and completed the process on December 26, 2024. Consequently, share capital and capital surplus each increased by 320,290 thousand yen. As a result, the share capital was 882,301 thousand yen, and the capital surplus was 870,368 thousand yen, at the end of the fiscal year under review.

(Significant accounting estimates)

- Valuation of goodwill

(1) Amount recorded in the consolidated financial statements for the fiscal year under review

(Thousand yen)

	Previous fiscal year	Current fiscal year
Goodwill	215,618	54,715

(2) Information on the content of significant accounting estimates for distinct items

The Group determines whether there is any indication of impairment of goodwill by comparing the business plan with actual results at the time of the business transfer. If there is any indication of impairment, the Group determines whether an impairment loss should be recognized by comparing the total undiscounted future cash flows to be derived from the asset group including goodwill with the carrying amount, based on the future plans of the business plan on which the goodwill was calculated.

If assumptions or projections of future events change and actual results differ from estimates, it may become necessary to record impairment losses.

During the fiscal year under review, in the Media Platform business, the anticipated revenue from the goodwill of Naisoh-kenchiku.com and the non-current assets and goodwill of Nogyo Job (Agrijob) was no longer expected to materialize. As a result, the carrying amounts of these assets were written down to their recoverable amounts, and the resulting losses were recorded as impairment losses under extraordinary losses.

Location	Usage	Category	Impairment losses (thousand yen)
Tokyo Head Office (Shibuya-ku, Tokyo)	Other (Naisoh-kenchiku.com)	Goodwill	66,149
Tokyo Head Office (Shibuya-ku, Tokyo)	Other (Nogyo Job)	Goodwill	52,997
Tokyo Head Office (Shibuya-ku, Tokyo)	Other (Nogyo Job)	Customer-related intangible assets	28,672
Tokyo Head Office (Shibuya-ku, Tokyo)	Business asset (Nogyo Job)	Software	14,399

(Business combinations, etc.)

(Finalization of tentative accounting for business combination)

Tentative accounting was applied in the previous fiscal year for business transfer from Life Lab Inc. on January 31, 2024, and was finalized in the fiscal year under review.

As a result of the finalization, the comparative information presented in the consolidated financial statements for the fiscal year under review reflects significant revisions to the initial allocation of acquisition costs.

Consequently, customer-related intangible assets of 35,600 thousand yen and deferred tax liabilities of 10,900 thousand yen were newly recognized. The customer-related intangible assets are being amortized on a straight-line method over a period of six to seven years. The initially estimated goodwill of 91,644 thousand yen was reduced by 24,699 thousand yen to 66,944 thousand yen due to the finalization of accounting treatment. There was no change in the amortization period for goodwill.

In addition, as of the end of the previous fiscal year, goodwill decreased by 23,670 thousand yen, customer-related intangible assets increased by 34,214 thousand yen, deferred tax assets decreased by 11,325 thousand yen, and retained earnings decreased by 780 thousand yen. In the consolidated statement of income for the previous fiscal year, selling, general and administrative expenses increased by 356 thousand yen, and operating

income, ordinary income and income before income taxes each decreased by the same amount. In addition, income taxes-deferred increased by 424 thousand yen and net income attributable to owners of the parent decreased by 780 thousand yen.

(Revenue recognition)

1. Disaggregation of revenue from contracts with customers

Revenue from reportable segments is disaggregated into “Advertising and related services,” “Marketing services,” “Pay-for-performance services,” and “Other.”

Revenue by reportable segment, as well as net sales disaggregated by goods or services and by revenue recognition timing for each reportable segment, are as follows.

For the fiscal year ended March 31, 2024

(Thousand yen)

	Reportable segment		Total
	Media platform	M&A services	
Net sales by goods or services			
Advertising and related services (Note 1)	2,622,388	—	2,622,388
Marketing services (Note 2)	74,021	—	74,021
Pay-for-performance services (Note 3)	211,661	172,166	383,827
Other (Note 4)	498,230	24,166	522,397
Revenue from contracts with customers	3,406,302	196,333	3,602,635
Revenue recognition timing			
Goods or services transferred at a point in time	1,425,978	177,730	1,603,709
Goods or services transferred over time	1,980,323	18,602	1,998,926
Revenue from contracts with customers	3,406,302	196,333	3,602,635

- Notes:
1. Advertising and related services primarily generate revenue from posting of recruitment ads and store property information, and services that enhance the effects of ads posted.
 2. Marketing services primarily generate revenue from Internet surveys on restaurants, and the distribution of e-mail newsletters to members of Inshokuten.com.
 3. Pay-for-performance services mainly comprise revenue from matching services in Inshokuten.com, revenue from opening fees in the food truck sharing and matching business and M&A Services business in subsidiaries.
 4. Other mainly comprises revenue from e-mail newsletter delivery services to job seekers, and monthly subscription services.

For the fiscal year ended March 31, 2025

(Thousand yen)

	Reportable segment		Total
	Media platform	M&A services	
Net sales by goods or services			
Advertising and related services (Note 1)	2,705,756	–	2,705,756
Marketing services (Note 2)	85,936	–	85,936
Pay-for-performance services (Note 3)	230,753	291,734	522,482
Other (Note 4)	603,010	34,311	637,321
Revenue from contracts with customers	3,625,456	326,046	3,951,497
Revenue recognition timing			
Goods or services transferred at a point in time	1,570,005	296,301	1,866,300
Goods or services transferred over time	2,055,451	29,745	2,085,196
Revenue from contracts with customers	3,625,456	326,046	3,951,497

- Notes:
1. Advertising and related services primarily generate revenue from posting of recruitment ads and store property information, and services that enhance the effects of ads posted.
 2. Marketing services primarily generate revenue from Internet surveys on restaurants, and the distribution of e-mail newsletters to members of Inshokuten.com.
 3. Pay-for-performance services mainly comprise revenue from matching services in Inshokuten.com, revenue from opening fees in the food truck sharing and matching business and M&A Services business in subsidiaries.
 4. Other mainly comprises revenue from e-mail newsletter delivery services to job seekers, and monthly subscription services.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

(1) Method for determining reportable segments

The Group's reportable segments are components of the Group for which discrete financial information is available and are subject to regular review by the Board of Directors to determine allocation of management resources and assess its performance.

The Group has consolidated its businesses into two segments that operate in similar markets, have similar types of customers, and services, namely, the Media Platform business and M&A Services business segments.

(2) Types of products and services belonging to each reportable segment

The Media Platform business focuses on such services as posting of recruitment ads and store property information, provision of Internet surveys and matching for business outsourcing.

The M&A Services business focuses on M&A-related services such as business transfers and share transfers, and support services to facilitate fully-furnished asset transfers, where the business can be transferred without removing the furnishings of the former restaurant operator.

2. Calculation of net sales and profit or loss by reportable segment

Accounting methods used for reportable segments are the same as the accounting policies that are adopted for the preparation of consolidated financial statements.

Segment profit (loss) is based on operating profit (loss). Inter-segment sales or transfers are based on arm's length transaction prices.

As stated in "Note (Business combinations, etc.)," during the fiscal year under review, tentative accounting for business combination was finalized, and the reported amounts reflect significant revisions to the initial allocation of acquisition costs resulting from the finalization.

I For the fiscal year ended March 31, 2024

3. Information on net sales and profit or loss by reportable segment

(Thousand yen)

	Reportable segment			Adjustment (Note 1)	Amount recorded in the consolidated statements of income (Note 2)
	Media platform	M&A services	Total		
Net sales					
Net sales to external customers	3,406,302	196,333	3,602,635	—	3,602,635
Inter-segment sales or transfers	—	—	—	—	—
Total	3,406,302	196,333	3,602,635	—	3,602,635
Segment profit (loss)	1,044,754	(7,763)	1,036,991	1,280	1,038,271
Other items					
Depreciation (Note 3)	25,099	57	25,157	—	25,157
Amortization of goodwill (Note 3)	31,551	1,530	33,081	—	33,081

- Notes:
1. Adjustment for segment profit or loss refers to the elimination of inter-segment transactions.
 2. The total amount of segment profit or loss is adjusted with operating profit in the consolidated statements of income.
 3. Assets are not specifically allocated to reportable segments, but depreciation (including depreciation of intangible assets besides goodwill) and amortization of goodwill are allocated.

II For the fiscal year ended March 31, 2025

3. Information on net sales and profit by reportable segment

(Thousand yen)

	Reportable segment			Adjustment (Note 1)	Amount recorded in the consolidated statements of income (Note 2)
	Media platform	M&A services	Total		
Net sales					
Net sales to external customers	3,625,456	326,040	3,951,497	—	3,951,497
Inter-segment sales or transfers	—	6	6	(6)	—
Total	3,625,456	326,046	3,951,503	(6)	3,951,497
Segment profit	983,507	97,773	1,081,281	15,920	1,097,201
Other items					
Depreciation (Note 3)	37,599	426	38,025	—	38,025
Amortization of goodwill (Note 3)	39,919	1,837	41,756	—	41,756
Impairment losses (Note 3)	162,218	—	162,218	—	162,218

- Notes:
1. Adjustment for segment profit refers to the elimination of inter-segment transactions.
 2. The total amount of segment profit is adjusted with operating profit in the consolidated statements of income.
 3. Assets are not specifically allocated to reportable segments, but depreciation (including depreciation of intangible assets besides goodwill), amortization of goodwill, and impairment losses are allocated.

[Related information]

For the fiscal year ended March 31, 2024

1. Information by product and service

Information is omitted, as the same information is presented in “Segment information.”

2. Information by region

(1) Net sales

There is no applicable information, as there are no net sales to external customers outside Japan.

(2) Property, plant and equipment

There is no applicable information, as there are no property, plant and equipment located outside Japan.

3. Information by major customer

Information is not presented, as no external customer accounts for 10% or more of net sales in the consolidated statements of income.

For the fiscal year ended March 31, 2025

1. Information by product and service

Information is omitted, as the same information is presented in “Segment information.”

2. Information by region

(1) Net sales

There is no applicable information, as there are no net sales to external customers outside Japan.

(2) Property, plant and equipment

There is no applicable information, as there are no property, plant and equipment located outside Japan.

3. Information by major customer

Information is not presented, as no external customer accounts for 10% or more of net sales in the consolidated statements of income.

[Information on impairment losses on non-current assets by reportable segment]

For the fiscal year ended March 31, 2024

Not applicable.

For the fiscal year ended March 31, 2025

Information is omitted, as the same information is presented in “Segment information.”

[Information on amortization and unamortized balance of goodwill by reportable segment]

For the fiscal year ended March 31, 2024

(Thousand yen)

	Reportable segment			Adjustment	Total
	Media platform	M&A services	Total		
Amount amortized during period	31,551	1,530	33,081	—	33,081
Balance at end of period	207,964	7,654	215,618	—	215,618

(Significant change in the amount of goodwill)

During the three months ended June 30, 2024, the “Media Platform business” segment transferred business from SHELFY Co., Ltd. The amount of goodwill generated by the transfer is 172,570 thousand yen.

For the fiscal year ended March 31, 2025

(Thousand yen)

	Reportable segment			Adjustment	Total
	Media platform	M&A services	Total		
Amount amortized during period	39,919	1,837	41,756	—	41,756
Balance at end of period	48,898	5,817	54,715	—	54,715

(Significant change in amount of goodwill)

Tentative accounting was applied in the previous fiscal year for business transfer from Life Lab Inc. on January 31, 2024, and was finalized in the fiscal year under review. The amount of goodwill generated by the finalization is 66,944 thousand yen within the “Media Platform business” segment.

Moreover, within the “Media Platform business” segment, the amount of goodwill changed significantly due to the reporting of impairment losses. Further details are disclosed in the segment information.

[Information on gain on bargain purchase by reportable segment]

For the fiscal year ended March 31, 2024

Not applicable.

For the fiscal year ended March 31, 2025

Not Applicable.

(Per share information)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	¥160.08	¥184.96
Basic earnings per share	¥26.36	¥24.01
Diluted earnings per share	¥26.29	¥24.01

Note: The basis of calculation for basic earnings per share and diluted earnings per share is as follows.

Item	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (Thousand yen)	704,168	659,265
Amount not attributable to common shareholders (Thousand yen)	—	—
Profit attributable to owners of parent relating to common shareholders (Thousand yen)	704,168	659,265
Average number of common shares during the period (Shares)	26,703,689	27,447,601
Diluted earnings per share		
Adjusted profit attributable to owners of parent (Thousand yen)	704,168	659,265
Increase in common shares (Shares)	71,265	3,602
(Of which share acquisition rights [Shares])	(71,265)	(3,602)
Summary of potential shares not included in the calculation of diluted earnings per share due to the absence of dilutive effects	—	—

Note: The reported amounts reflect significant revisions to the initial allocation of acquisition costs resulting from the finalization of tentative accounting for business combination.

(Subsequent Event)

The Company repurchased its own shares in accordance with the resolution of the Board of Directors meeting held on February 14, 2025. Treasury stock acquired after the balance sheet date was as follows.

- | | |
|--|--|
| 1. Type of shares to be acquired | Common stock of the Company |
| 2. Total number of shares acquired | 782,600 shares |
| 3. Total amount of shares to be acquired | 431,615,700 yen |
| 4. Repurchase period | April 1, 2025 - April 18, 2025 (based on trade date) |
| 5. Method of acquisition | Purchase on the Tokyo Stock Exchange |

(Reference)

1. Details of the resolution at the Board of Directors meeting held on February 14, 2025

- | | |
|---|--|
| (1) Type of shares to be acquired | Common stock of the Company
1,300,000 shares(upper limit) |
| (2) Total number of shares to be acquired | Ratio to total number of shares issued and outstanding
(excluding treasury stock) : 4.49% |
| (3) Total amount of shares to be acquired | 500,000,000 yen |
| (4) Repurchase period | February 25, 2025 - April 30, 2025 |

2 . Cumulative total of treasury stock repurchased based on the above Board of Directors' resolution

- (1) Total number of shares acquired 945,900 shares
- (2) Total amount of shares to be acquired 499,994,500 yen