



June 6, 2025

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## **Business Report FY2025 Q3 (Summary)**

Ateam Holdings Co., Ltd. disclosed the “Business Report FY2025 Q3” on June 6, 2025 in Japanese. This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

### **1. Progress in Efforts to Reduce Risk Volatility**

#### **I. Carve-out for Business Portfolio Optimization**

As stated in the “Ateam Medium-Term Business Plan (FY2025-FY2028)” disclosed on September 6, 2024, Ateam HD established a business policy to reduce risk and volatility through thorough budgetary control and management strategies for our group. Our business portfolio is divided into four categories, each focusing on business growth rate and profitability, with adjustments made when necessary. Based on this policy, the decision was made to transfer “Life.”<sup>1</sup> and “Navi Navi Insurance”<sup>2</sup> to optimize our overall business portfolio and maximize business value while taking into account our allocation of management resources.

#### **II. Shift of Product Portfolio in Entertainment Business**

We will shift our product portfolio’s focus from in-house titles to collaborative projects to reduce risk, transitioning to a business structure that ensures stable profitability. The next few years will be a period of preparation for the release of new collaborative projects, and we will maintain profitability by diversifying risks through collaboration and empowering our business management system. By leveraging the planning and technical capabilities we have cultivated, we are able to collaborate with major companies and well-known IPs, resulting in a portfolio that balances stable profits and upside.

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<sup>1</sup> Please refer to the “Notice Regarding Succession of Rights and Obligations of Consolidated Subsidiary to Kamakura Shinsho, Ltd. Due to Company Split via Simplified Absorption-Type Demerger” disclosed on April 10, 2025 for more details.

<sup>2</sup> Please refer to the “Notice Regarding Transfer of Shares of Consolidated Subsidiary” disclosed on May 15, 2025 for more details.

*The following English translation is for reference purposes only, as it was originally prepared and published by the Company in Japanese and is qualified in its entirety by the original Japanese version submitted to the Tokyo Stock Exchange. Please refer to the Japanese version in the event of any discrepancy between the English and Japanese versions.*

	Before	After
Portfolio	Mainly in-house titles	Mainly collaborative projects
Business Plan	Investment risk, but with upside potential	Controlled investment risk with stable profitability, but with a more limited upside
Key Success Factors	Planning capabilities	Balancing of project management
Strength	Planning and technical capabilities (infrastructure technology supporting advanced real-time communications), IP alliance infrastructure and global expansion capabilities (worldwide, in 10 languages)	

## 2. Financial Highlights

### I. FY2025 Q3 Results

Adjusted EBITDA, which represents the profitability of the core business, increased significantly compared to the previous fiscal year due to strong performances from each segment. We will steadily implement the optimization of our business portfolio and move out of the period of stagnant profits and into a period of renewed growth.

	Revenue	Adjusted EBITDA	Ordinary Income	Net Income
FY2025 Q3 (million JPY)	6,429	701	491	468
YoY (%)	102.6	191.9	141.9	60.7
QoQ (%)	109.7	175.1	90.4	108.8

### II. FY2025 Financial Forecast (Adjusted EBITDA, Ordinary Income and Net Income) Revised Upward

	Revenue (million JPY)	Adjusted EBITDA (million JPY)	EBITDA (million JPY)	Operating Income (million JPY)	Ordinary Income (million JPY)	Net Income Attributable to Shareholders of Parent Company (million JPY)	Net Income per Share (JPY)
Previous Financial Forecast (A)	25,000	<b>1,350</b>	1,250	1,000	<b>1,000</b>	<b>560</b>	30.17
Revised Financial Forecast (B)	25,000	<b>1,500</b>	1,250	1,000	<b>1,300</b>	<b>1,000</b>	53.88
Difference from the Previous Financial Forecast (B-A)	0	<b>150</b>	0	0	<b>300</b>	<b>440</b>	23.71
Difference in Percentage (B÷A)	0.0%	<b>111.1%</b>	0.0%	0.0%	<b>130.0%</b>	<b>178.6%</b>	178.6%

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(Ref.) Results for the Fiscal Year Ended July 31, 2024	23,917	<b>740</b>	711	562	<b>609</b>	<b>953</b>	51.36
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### 3. M&A Progress

While we have been actively pursuing M&A, we are focusing on the PMI of the four companies we have acquired this fiscal year. In addition, we have optimized our business portfolio by conducting two carve-outs.

	Up to FY2025 Q1	Up to FY2025 Q2	Rate of Increase
Number of Companies Contacted	216	227	+5.1%
Number of Interviews with Top Candidates	39	42	+7.7%
Purchase Agreement	4	4	- %