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交換できるくん

**Change your life,
like changing your
clothes**

**FY2026 2Q
Financial Results Briefing
Materials**

Koukandekirukun, Inc.

[Tokyo Stock Exchange Growth Market: 7695]

FY2026 2Q

April 2025 to September 2025

Following the 100% acquisition and consolidation of IPS Co., Ltd. in January 2024, its IT-related operations are classified under the [Solutions Business](#), while our legacy “Koukandekirukun” business is positioned as the [Housing DX Business](#).

1. 2Q Financial Results for FY2026
2. Company Overview
3. Introduction to Housing DX Business
4. Introduction to Solutions Business
5. Frequently Asked Questions

1 | 2Q Financial Results for FY2026

Summary of Consolidated Results (Statement of Income)

Consolidated Revenue Increased 14.8% Year-on-Year

- The continued high proportion of air conditioner sales suppressed the gross profit margin

[Unit: Millions of yen]

	FY2025 2Q	FY2026 2Q	Change amount	Rate of change
Net sales	4,733	5,432	+698	+14.8%
Gross profit	1,065	1,116	+50	+4.7%
Gross profit margin	22.5%	20.5%	△2.0pt	—
Operating profit	△25	△141	△116	—
Operating profit margin	△0.5%	△2.6%	△2.1pt	—
Ordinary profit	△23	△137	△113	—
Net income	△30	△101	△70	—

* Elimination of intercompany transactions (net sales) 79million yen
 * Amortization of Goodwill 28million yen

Overview of Segment Results

Sales in Housing DX Business Grew Steadily, up 17.5% year on year

- The gross profit margin of the Solutions business increased by 6.3%

* Following the 100% acquisition and consolidation of IPS Co., Ltd. in January 2024, its IT-related operations are classified under Solutions Business, while our legacy “Koukandekirukun” business is positioned as Housing DX Business.

* Segment results are presented before inter-company transactions are eliminated.

◆Breakdown of internal transactions

IPS - Koukandekirukun contracted development 72Million yen
IPS - Requestwise (Repair Management System Usage Fees) 4Million yen
Koukandekirukun - IPS management advisory fees 3Million yen

[Unit: Millions of yen]

Housing DX Business	FY2025 2Q	FY2026 2Q	Change amount	Rate of change
Net sales	4,197	4,929	+732	+17.5%
Gross profit	1,032	1,062	+30	+3.0%
Gross profit margin	24.6%	21.6%	△3.0%	—
Operating profit	4	△134	△139	—
Operating profit margin	0.1%	—	—	—

Solutions Business	FY2025 2Q	FY2026 2Q	Change amount	Rate of change
Net sales	575	581	+ 6	+1.0%
Gross profit	72	110	+ 37	+51.7%
Gross profit margin	12.6%	18.9%	+6.3%	—
Ordinary profit	△9	3	+ 12	—
Operating profit margin	—	—	2.2%	—

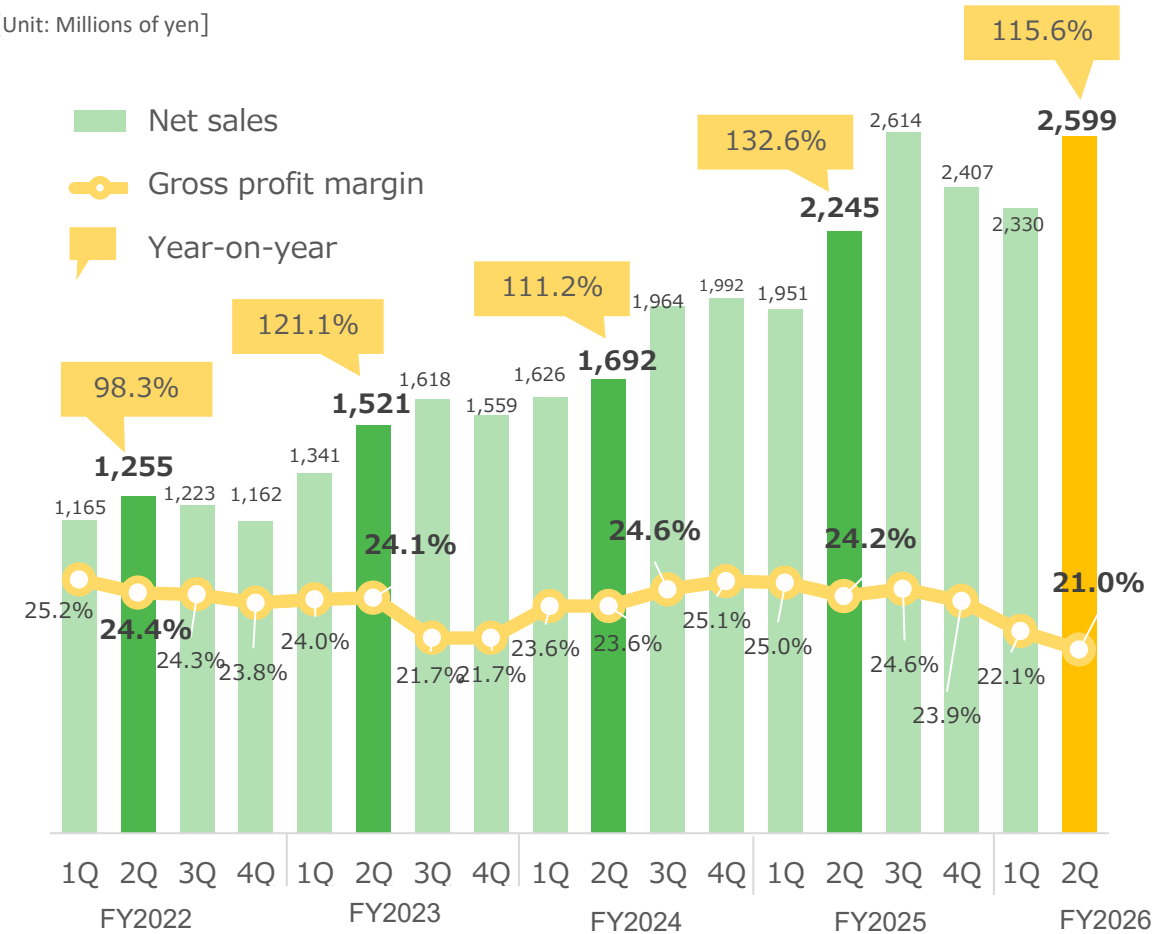
- Segment results are presented before inter-company transactions are eliminated.
- The fiscal year ending March 2024 for the Solutions segment reflects only the three-month performance from January to March, due to the acquisition of IPS , Inc. shares in January 2024.

Revenue and gross profit margin trends (quarterly)

Housing DX Business: 2Q Sales Reached Record High

- Sales landed at roughly the same level as the busy 3Q period of the previous fiscal year
- The gross profit margin declined due to the strategic focus on air conditioner sales

[Unit: Millions of yen]



* Segment results are presented before inter-company transactions are eliminated.

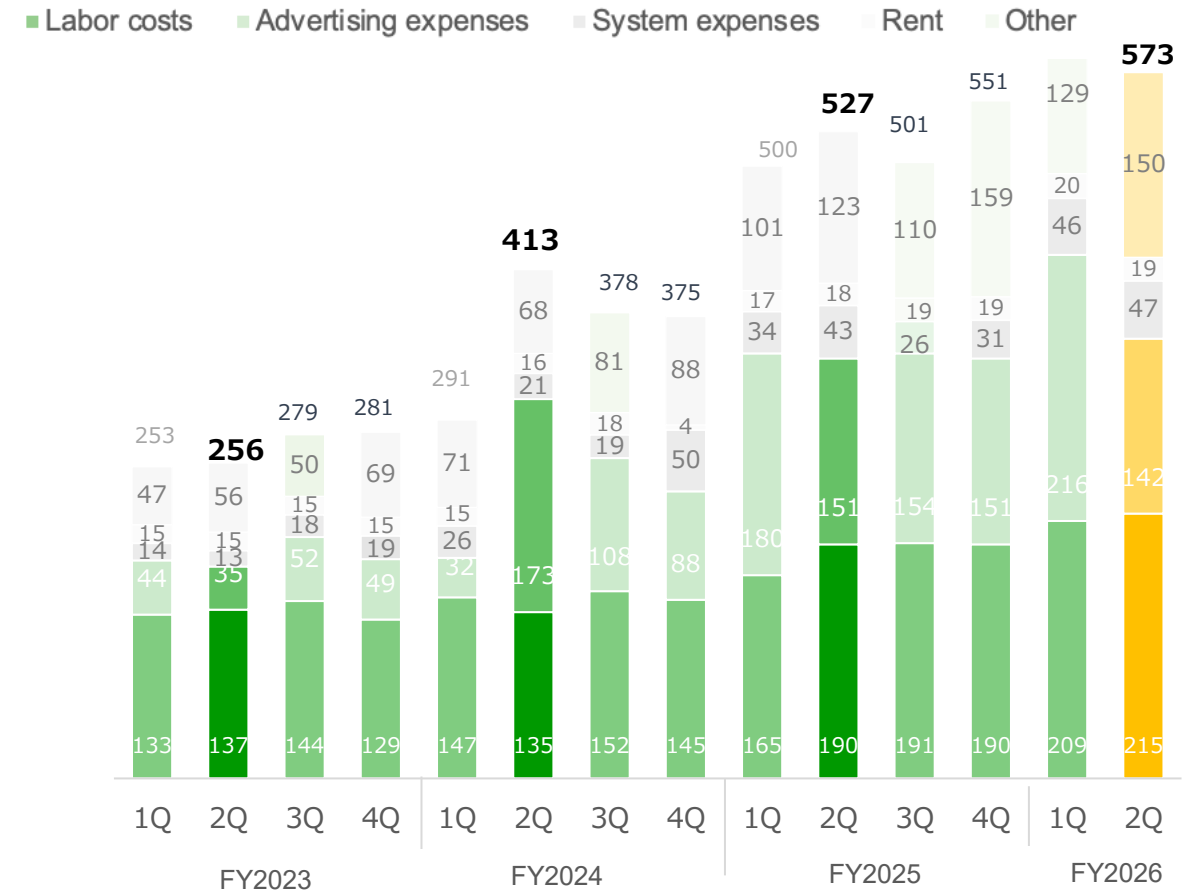
Segment Results (Housing DX Business)

SG&A expense trends (quarterly)

SG&A Expenses Progressed as Planned

- Other SG&A expenses increased due to M&A-related costs

[Unit: Millions of yen]



* Segment results are presented before inter-company transactions are eliminated.

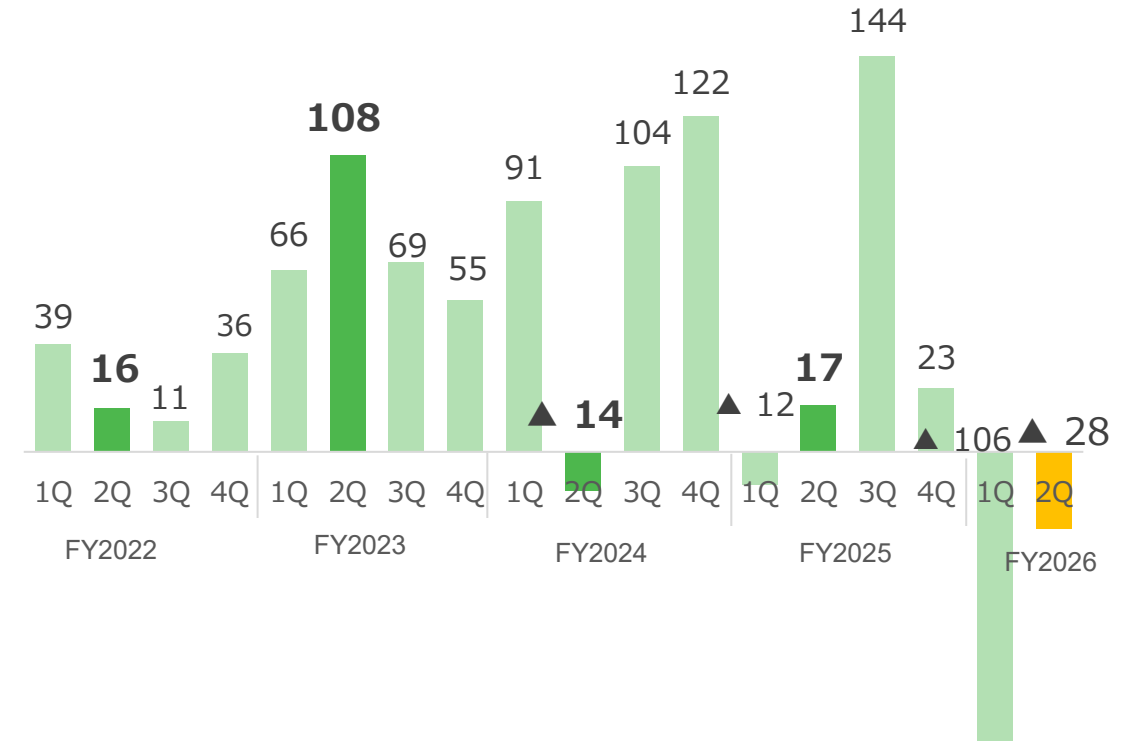
* From the current consolidated fiscal year, goodwill amortization is recorded by segment, and figures for prior fiscal years have also been restated to reflect goodwill amortization.

Segment Results (Housing DX Business)

Operating profit trends (quarterly)

Following 1Q, operating profit remained negative due to the continued strategic focus on strengthening air conditioner sales

[Unit: Millions of yen]



* Segment results are presented before inter-company transactions are eliminated.

* From the current consolidated fiscal year, goodwill amortization is recorded by segment, and figures for prior fiscal years have also been restated to reflect goodwill amortization.

Installation count trends (quarterly)

B2C Installation Completions Surpassed 15,000 cases

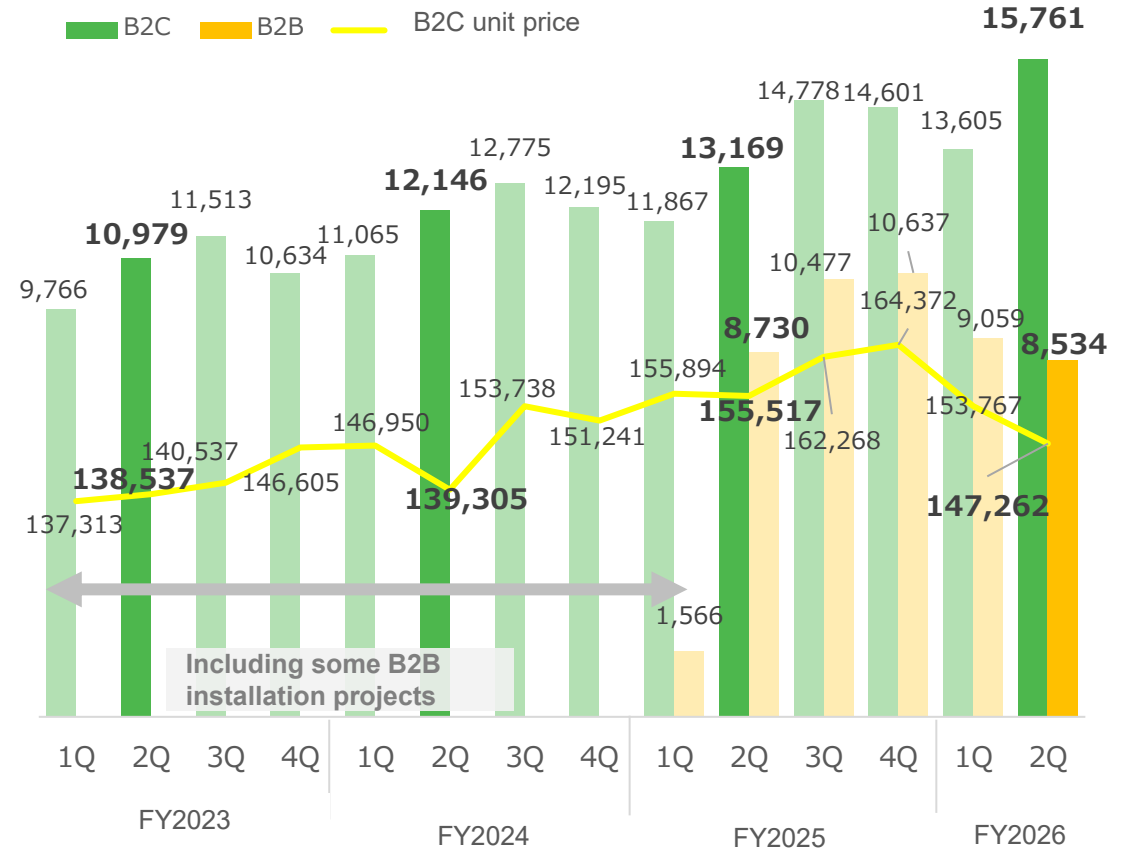
- Product supply and installation capabilities remained stable
- Although the number of low-unit-price manufacturer repair requests (B2B) decreased, overall revenue growth remained solid

※From FY2025 onward, the number of B2C and B2B installations has been categorized separately. The B2B count includes installations that involve only installation without product sales, as well as repair contract cases.

※Please note that there may be slight discrepancies in the reported figures due to cases where it is difficult to accurately categorize projects, such as those involving corporate clients using Koukandekirukun, or entire building projects.

[Unit: Projects] [Unit: yen]

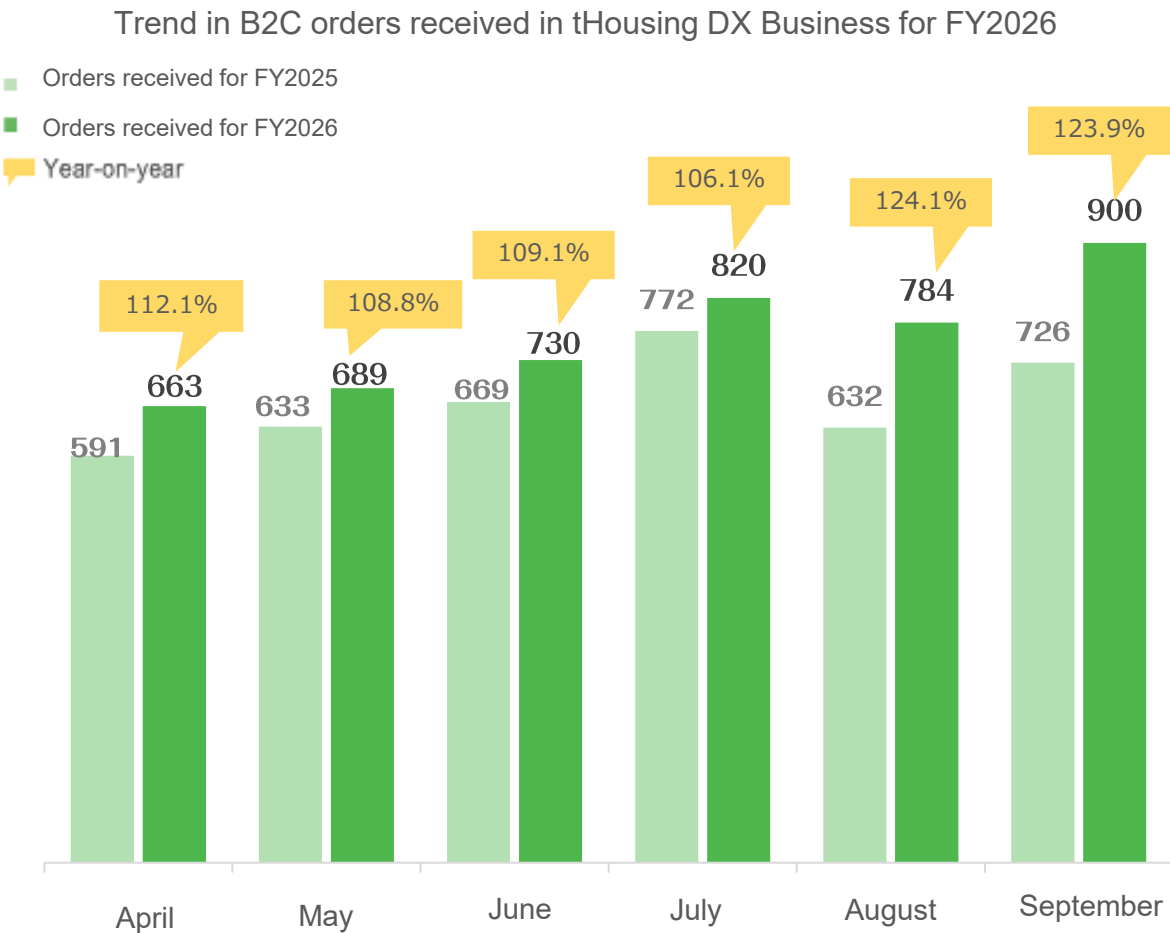
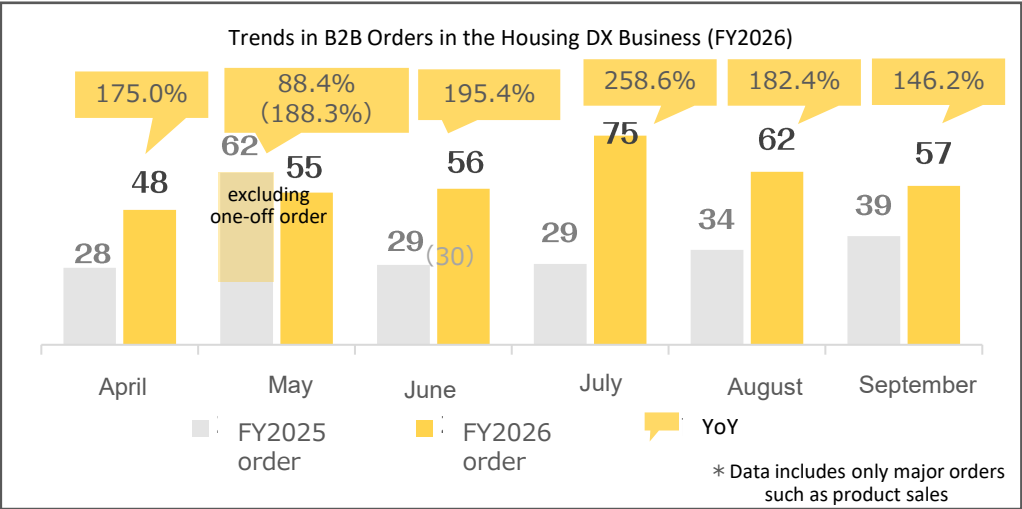
Trends in the number of installation projects and revenue per project (B2C)



Forecast for 3Q FY2026

Orders Remain Steady

- Steady trend anticipated through the busy season starting in October



[Unit: Millions of yen]

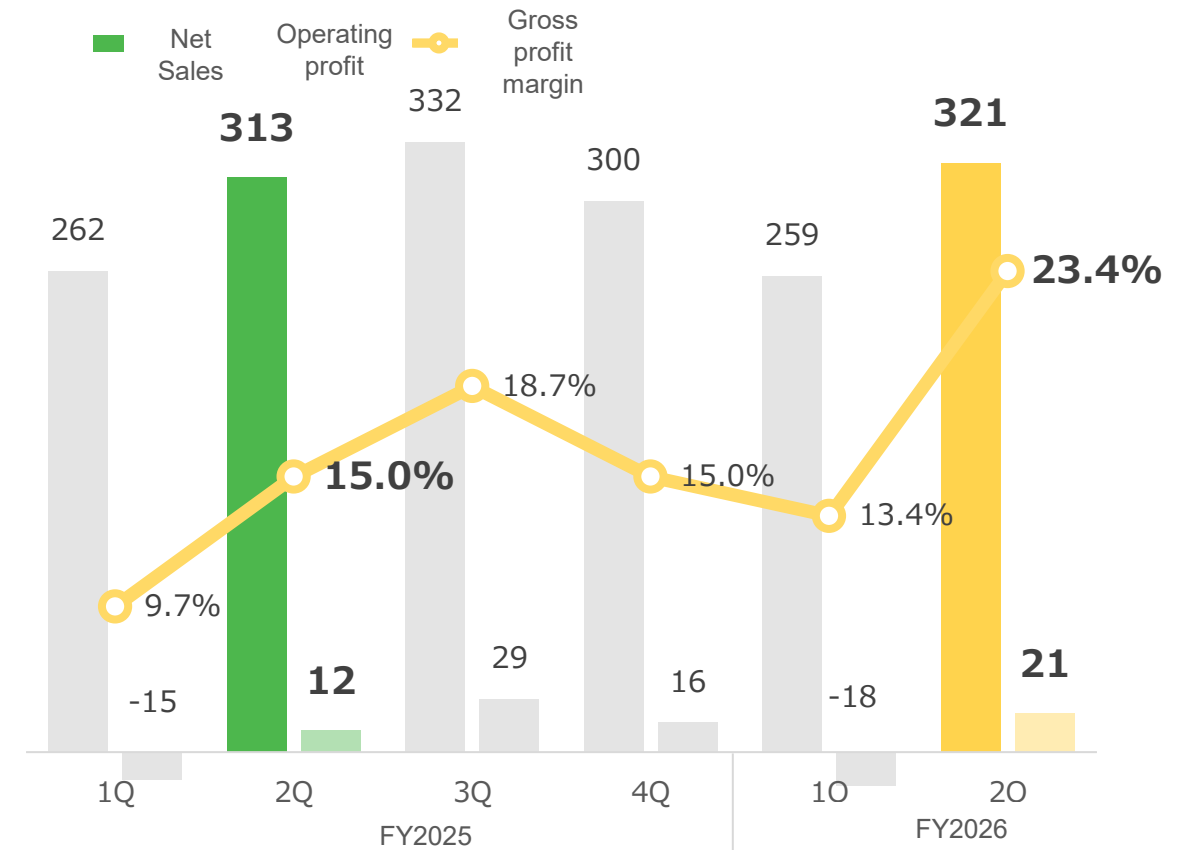
* The timing of orders and the recognition of sales upon project completion does not necessarily coincide. Please regard this as a reference indicator for outlook purposes only.

Net sales , Operating profit and Gross profit margin

Solutions Business Progressing as Planned

- Progress in business reforms led to an improvement in the gross profit margin

[Unit: Millions of yen]



* Segment results are presented before inter-company transactions are eliminated.

Summary of Consolidated Results (Balance Sheet)

[Unit: Millions of yen]

Increase in Fixed Assets Due to Software Asset Growth

- Continued investments in system development led to an increase in fixed assets (with some amortization beginning)
- Interest-bearing debt increased due to financing for working capital such as system-related expenses and advertising costs

			FY2025	FY2026 2Q	Change
Assets	Current assets	Cash and deposits	832	983	150
		Merchandise	358	451	92
		Other	930	1,069	139
	Non-current assets		1,854	2,109	254
Total assets			3,975	4,613	637
Liabilities	Interest-bearing liabilities		590	967	376
	Other		1,694	2,015	321
Net assets	Share capital (including capital surplus)		771	802	30
	Retained earnings		912	811	△101
	Treasury shares		△0	△0	—
	Other		7	17	10
Total liabilities/Net assets			3,975	4,613	637
Equity ratio			42.3%	34.9%	△7.4%

Increase in Cash and Cash Equivalents from Financing Activities

- Investing Cash Flow
Compared with the previous fiscal year, investing cash flow decreased, as the prior year included acquisition-related costs from M&A
- Financing Cash Flow
Funds increased as a result of new borrowings

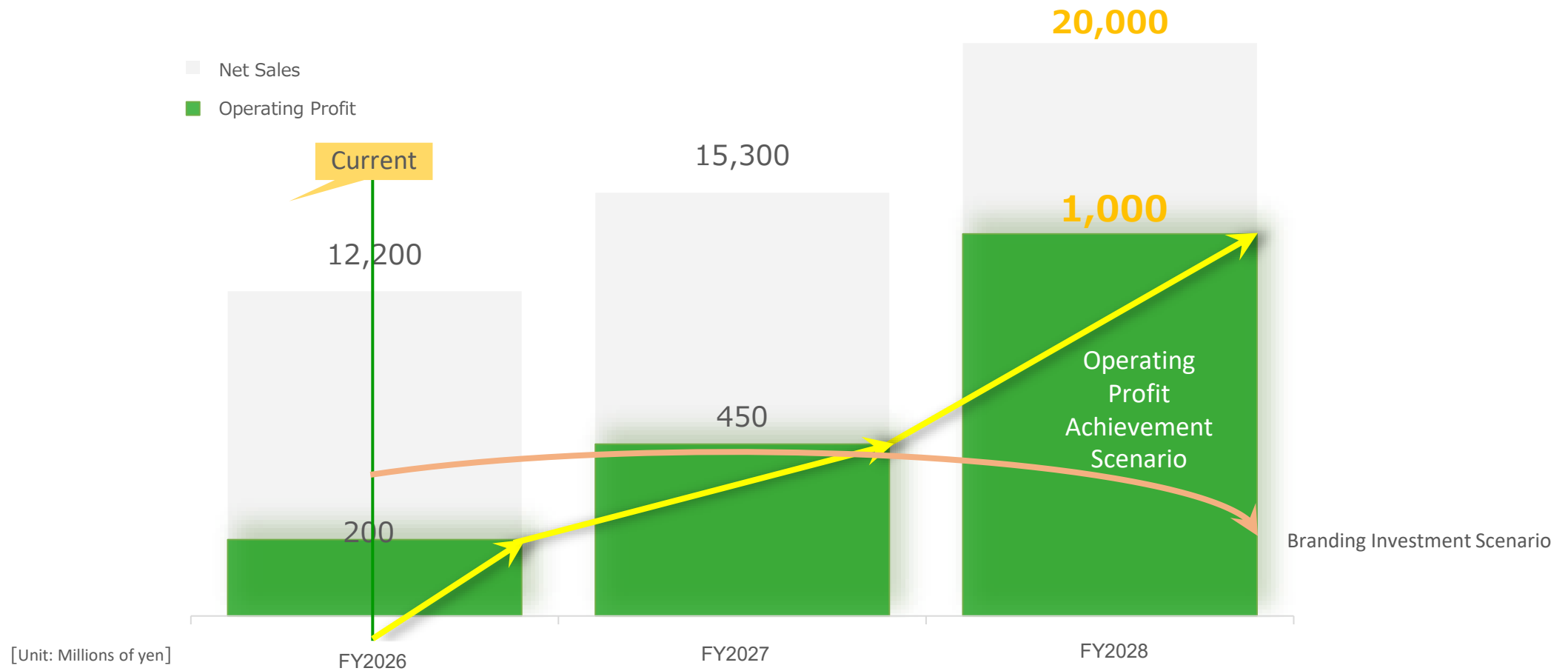
[Unit: Millions of yen]

	FY2025 2Q	FY2026 2Q	Change amount
Operating Cash Flow	△91	△119	△27
Investing Cash Flow	△320	△137	183
Financing Cash Flow	△84	407	491
Effect of Exchange Rate Changes on Cash and Cash Equivalents	—	△0	△0
Net Increase (Decrease) in Cash and Cash Equivalents	△496	150	647
Cash and Cash Equivalents at Beginning of Period	975	832	△142
Cash and Cash Equivalents at End of Period	478	983	504

Mid-term 3-Year Consolidated Performance Plan and Operating Profit Achievement Scenario

First year of mid-term plan: high branding investment ratio
Profit generation expected during mid-term plan progress

Conceptual diagram of the 3-year mid-term plan for sales, operating profit, branding investment, and operating profit scenario



* The lines for branding investment and operating profit are for illustrative purposes only and do not represent quarterly plans.

Topics

Acquisition of Shares in Kitchen Works, a Specialized Water-Related Renovation Company

Kitchen Works Co., Ltd.

Representative: President & CEO Shinya Yukawa

Head Office: 1-9-31 Ryutsu Center, Shiroishi, Sapporo,
Hokkaido

Business: Residential Renovation Services

URL: <https://www.ktn-works.com/>

(Millions of yen)	Revenue	Operating profit	Ordinary profit	Net income
FY2025	924	38	50	33

Sales of Takara standard
Products

Unit Baths
System Kitchens

**No.1 in Hokkaido
for 18 Consecutive Years**



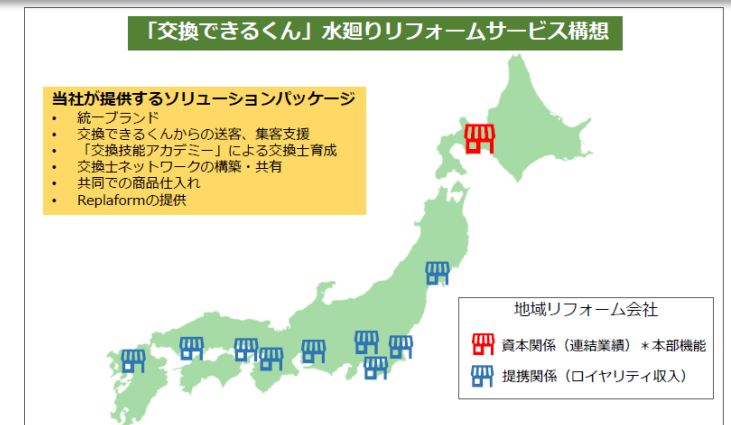
Letter of Appreciation from
Takara standard Co., Ltd.

Step 1 : Synergy between Kitchen Works' business domain and Koukandekirukun



Step 2 : Building a voluntary chain model for the renovation business

Aim to Monetize
Royalties



Topics

Extreme heat drove a surge in air conditioner interviews,
generating strong advertising and publicity effects



Stock Split and Changes to Shareholder Benefits Program

■ Overview of the Stock Split

Based on the record date of October 31, 2025, each common share owned by shareholders listed in the final shareholder register on that date was split into three shares.

■ Shareholder Benefits Program

The following shareholder benefits will apply based on the record date of March 31, 2026.

Number of Shares Held	Benefit Details
100 shares to less than 300 shares	Points worth 3,000 yen that can be used on the EC site "Koukandekirukun", or an equivalent points voucher
300 shares to less than 600 shares	Points worth 10,000 yen usable on the EC site "Koukandekirukun", or Quo Card worth 5,000 yen
600 shares to less than 1,500 shares	Points worth 20,000 yen usable on the EC site "Koukandekirukun", or Quo Card worth 10,000 yen
1,500 shares to less than 3,000 shares	Points worth 50,000 yen usable on the EC site "Koukandekirukun", or Quo Card worth 25,000 yen
Over 3,000 shares	Points worth 100,000 yen usable on the EC site "Koukandekirukun", or Quo Card worth 50,000 yen

■ Exhibition at the "Nikkei / Tokyo Stock Exchange IR Fair 2025" (September 26–27)

More than 1,000 of our shareholders and investors visited our booth during the event.



We received many valuable opinions and feedback, which we will make use of in future IR activities.

Thank you very much for your continued support.

2 | **Company Overview**

Company Overview

Company Overview

Koukandekirukun, Inc.

Tokyo Tatemono Higashi Shibuya Bldg 7F, 1-26-20 Higashi,
Shibuya-ku, Tokyo

Date of establishment

November 13, 1998

Management

President and CEO, Masaru Kurihara	[Auditor and Supervisory Committee]
Director and Vice President, Koji Sato	Outside Director, Kengo Suzuki
Director, Masahiro Yoshida	Outside Director, Yuko Noda
Outside Director, Noboru Yoshino	Outside Director, Michiko Hattori

No. of staff [As of end of September 2025 (consolidated)]

Employees: 251 / Contracted partners: 237

Securities code

7695 [Tokyo Stock Exchange Growth Market]



Corporate Philosophy

For the "I'm glad I found you"

We strive to be a company that continues to be essential to society; where both customers can truly say, "I'm glad I chose them," and employees can wholeheartedly feel, "I'm glad I work here."

To achieve this, we prioritize honesty above all. We never deceive our customers, nor do we ever let them down. This commitment is our pride, and we uphold it with unwavering dedication.



Company History

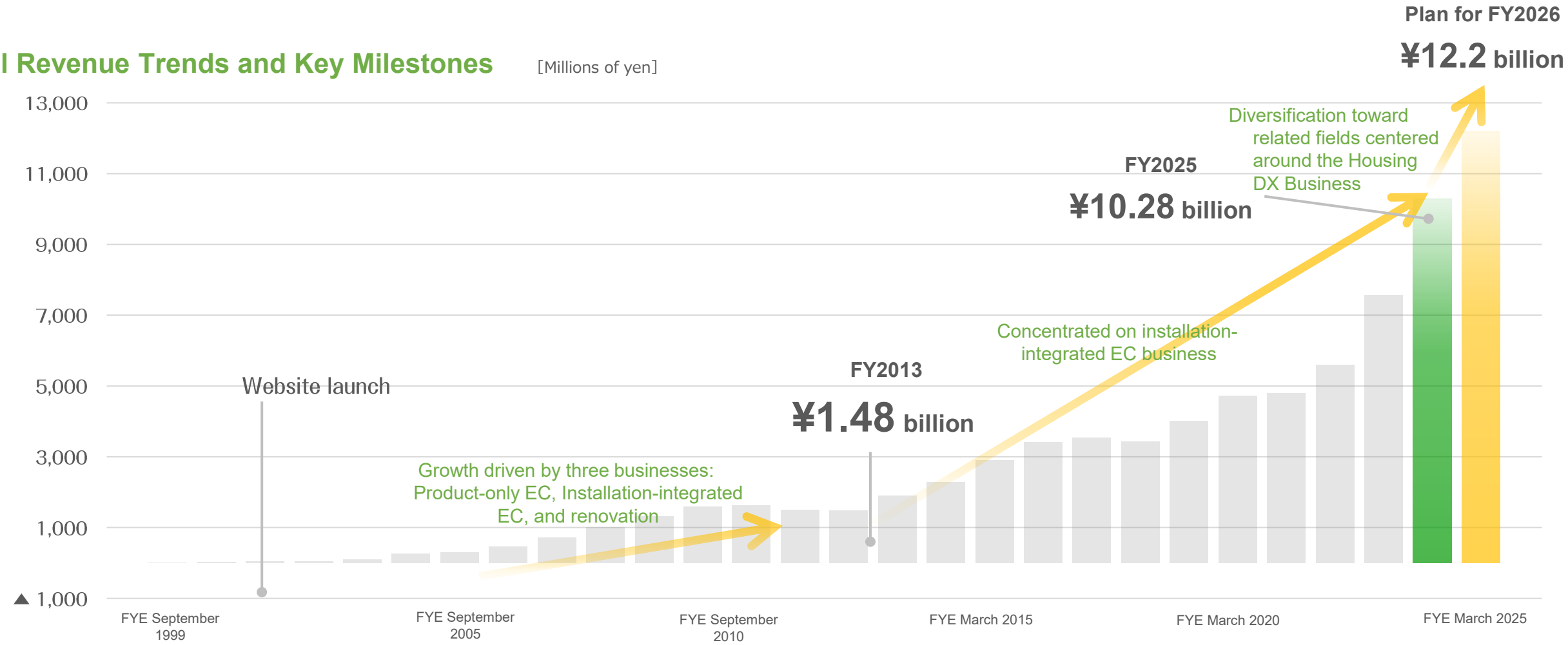
Since concentrating resources on the installation-integrated EC business in FY2013, revenue has significantly increased

With the expansion of the EC market, its media presence as a replacement installation platform has strengthened

Following the 2024 M&A, we aim for further rapid growth through diversification

I Revenue Trends and Key Milestones

[Millions of yen]



* Following the change in fiscal year-end from September to March effective from the fiscal year ended March 2013, the figures are presented on a twelve month basis, incorporating the results of the first half of the subsequent fiscal year.

Group Overview

Leveraging the expertise cultivated through Koukandekirukun, we aim to maximize synergies within the Group while enabling each group company to pursue its own growth



Established November 13, 1998
 Capital ¥427.14 million
 Representative President & CEO, Masaru Kurihara
 Head office 1-26-20 Higashi, Shibuya-ku, Tokyo
 No. of employees 91
 Other Listed on the Tokyo Stock Exchange Growth Market (7695)

**Internet-based
B2C sales of
residential
equipment with
installation
services**

Business Partnership



Established: November 25, 2015
 Capital: ¥10 million
 Representative: Representative Director Katsuyuki Atsuki
 Head office: 4-4-13-1B Haccho-bori, Chuo-ku, Tokyo
 Shareholder: Wholly owned subsidiary: Koukandekirukun, Inc.
 Registration: Registered as a non-life insurance agent (No. 20825014804)

**Long-term Warranty Services
for Residential Equipment**

External Companies

Installation Partnership



Established: July 1, 2021
 Capital: ¥50 million
 Representative: Representative Director Masahiro Yoshida
 Head office: 1-26-20 Higashi, Shibuya-ku, Tokyo
 No. of employees: 77; Contract workers: 237
 Shareholder: Wholly owned subsidiary: Koukandekirukun, Inc.
 Product centers: Nine locations nationwide

**Residential Equipment Installation
and B2B Housing DX Services**

External Companies

Development Partnership



Established: March 14, 1985
 Capital: ¥15 million
 Representative: Representative Director Mikio Harada
 Head office: 6-1-1 Tabata, Kita-ku, Tokyo
 No. of employees: 79
 Shareholder: Wholly owned subsidiary: Koukandekirukun, Inc.

Development of Business Systems

External Companies

Sales Partnership

New business (Replaform)

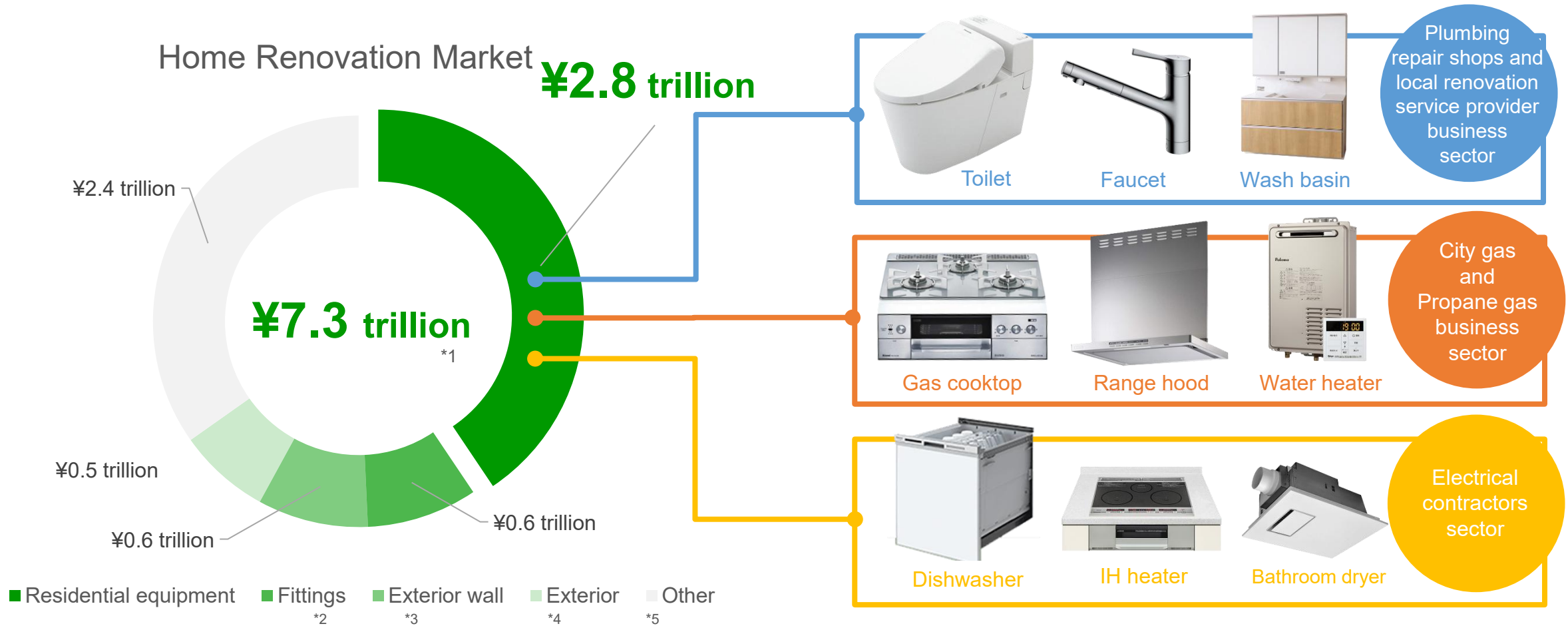
3 | Introduction to Housing DX Business

Order Residential Equipment Replacement Online



Market Size

Valued at **¥7.3 trillion**, the residential equipment market is the largest within the home renovation sector



[Sources]

*1 Prepared by the Company based on the "Home Renovation Market in Japan: Key Research Findings (2023)" by Yano Research Institute Ltd.

*3 Prepared by the Company based on the press release dated July 18, 2019, titled "Survey of the Domestic Market for 100 Residential Equipment and Building Materials Products" by FUJII KEIZAI CO., LTD.

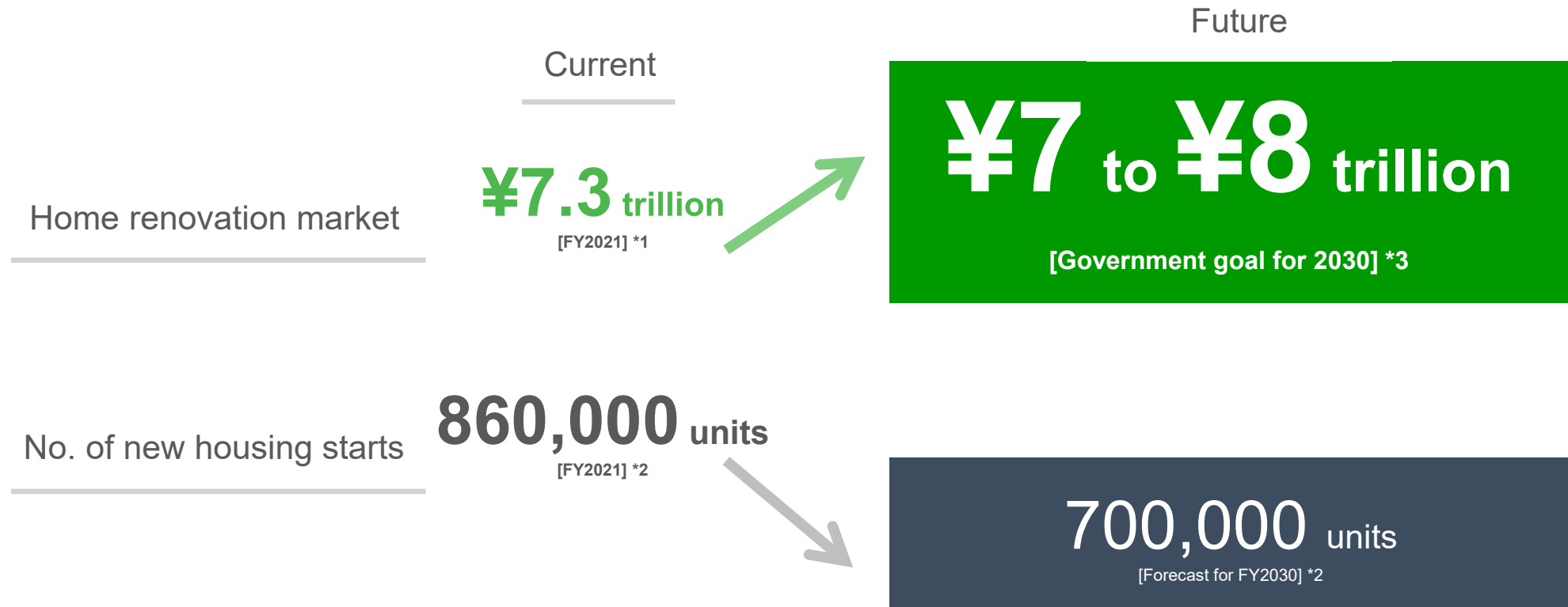
*5 Prepared by the Company based on "Q2 FY1/2021 Financial Results" by TAKASHO CO., LTD.

*2 Prepared by the Company based on the press release dated July 16, 2020, titled "Survey of the Domestic Market for Residential Equipment, Building Materials & Housing Services" by FUJII KEIZAI CO., LTD.

*4 Prepared by the Company based on the press release dated October 19, 2020, titled "Exterior Wall Materials Market in Japan: Key Research Findings" ed by Yano Research Institute Ltd.

Extensive Opportunities Exist within the Home Renovation Market

While the number of new housing starts is expected to decline in the future, the renovation market is projected to see long-term growth



[Sources]

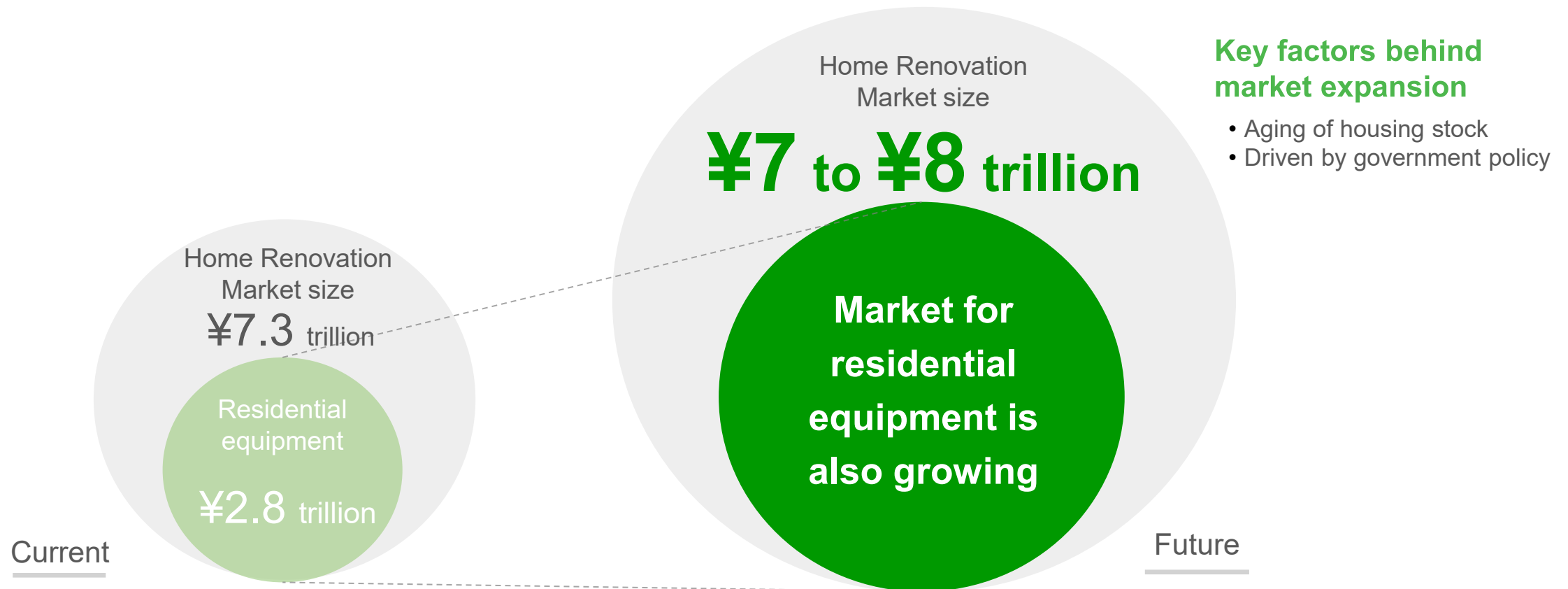
*1 Prepared by the Company based on the "Home Renovation Market in Japan: Key Research Findings (2023)" by Yano Research Institute Ltd.

*2 Prepared by the Company based on "Outlook and Challenges for the Housing Market in 2040" by Nomura Research Institute, Ltd.

*3 Prepared by the Company based on "Home Renovation Market 2022" by Yano Research Institute Ltd.

Extensive Opportunities Exist within the Home Renovation Market

Shift from new construction to stock housing is expected to lead to further business opportunities



[Sources]

*1 Prepared by the Company based on the "Home Renovation Market in Japan: Key Research Findings (2023)" by Yano Research Institute Ltd.

*2 Prepared by the Company based on "Outlook and Challenges for the Housing Market in 2040" by Nomura Research Institute, Ltd.

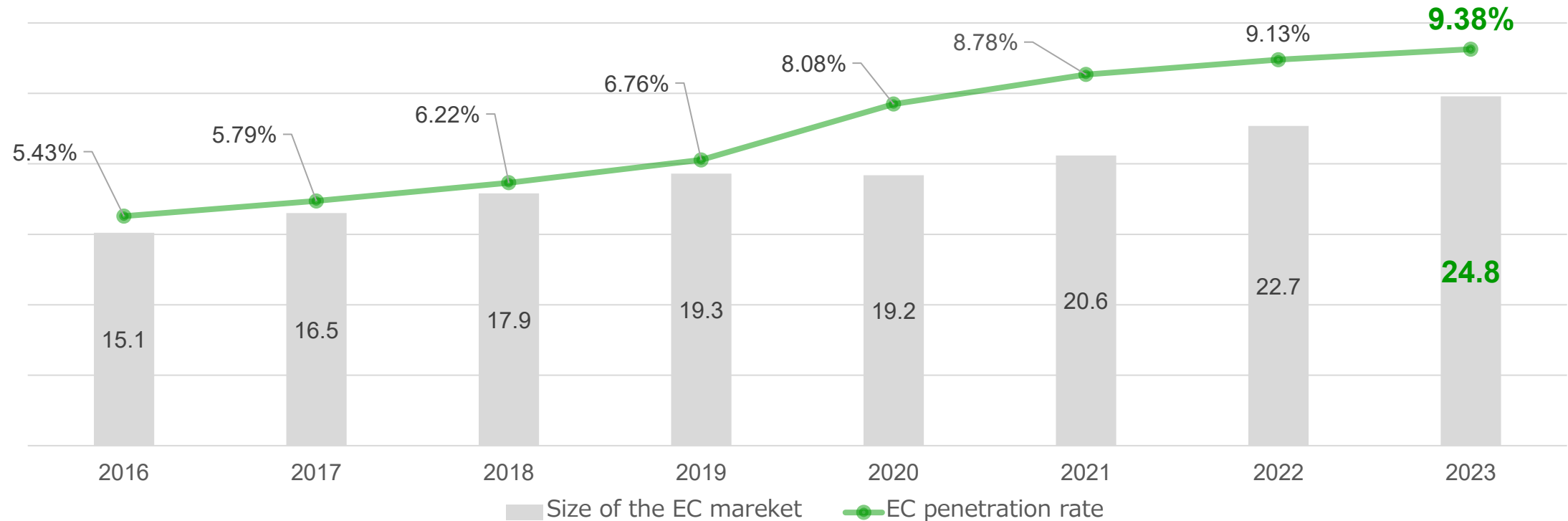
*3 Prepared by the Company based on "Home Renovation Market 2022" by Yano Research Institute Ltd.

Expansion of the EC Market

While some sectors contracted due to COVID-19, the size of the B2C EC market in 2022 was **¥22 trillion**

The EC penetration rate has increased to **9%**, and is expected to continue growing

Trends in B2C EC Market Size and Retail EC Penetration Rate [Trillions of yen]



[Sources]
* Prepared by the Company based on "FY2022 Digital Transaction Environment Improvement Project (E-Commerce Market Survey)" by Ministry of Economy, Trade and Industry

Gaps Exist, and a Market Has Not Been Established

Customer needs and concerns

We want to easily replace **individual residential equipment** without major construction

Installation pricing is unclear
and difficult to understand...

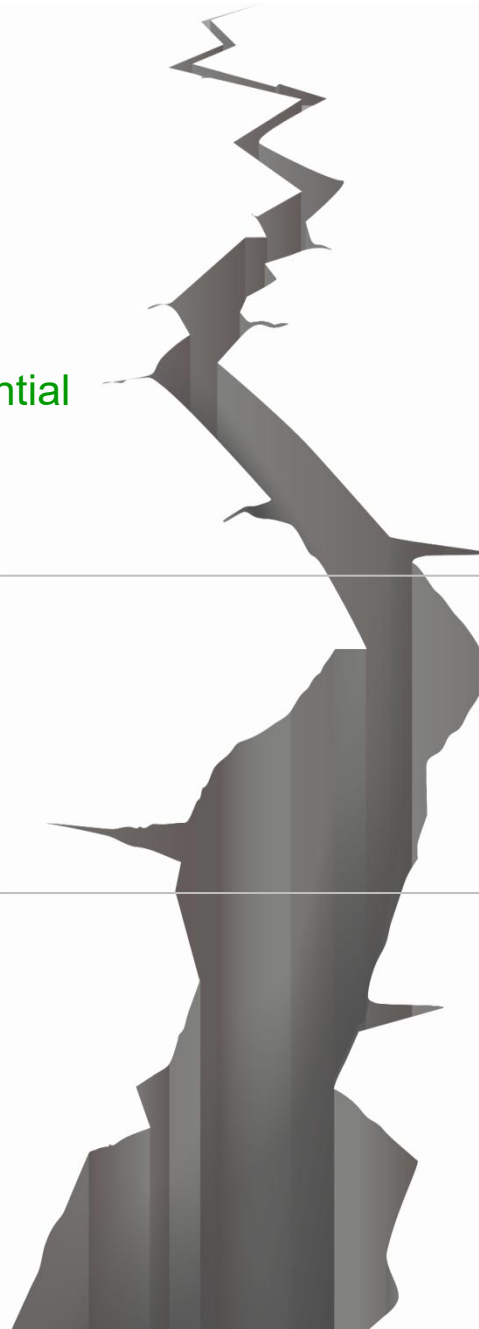
We are not sure where to ask for help

The true intentions of businesses

Smaller-scale projects tend to be unprofitable
We want to get orders for bathroom and kitchen renovations

Smaller-scale projects tend to be unprofitable
We can only recoup costs by adding a markup to the installation prices





Smaller-scale projects tend to be unprofitable
We do not want to take on these jobs if it can be avoided



Renovation Industry






Almost no companies specialize in single-item replacements for residential equipment, and **surrounding industry players tend to handle this sector reluctantly**

The lack of transparency in installation pricing is fostering distrust within the industry

	Renovation			Repair
	Large-scale renovations	General renovations	Replacement of residential equipment	Repairs/small-scale work
Type of construction	 <ul style="list-style-type: none"> • Renovations • Design-focused renovations • Expansion 	 <ul style="list-style-type: none"> • System kitchens • Bathroom units • Exterior walls • Flooring interior finishing 	 <ul style="list-style-type: none"> • Built-in dishwashers • Built-in gas stoves • Range hoods • Toilets 	 <ul style="list-style-type: none"> • Toilet water leak repairs • Clogged pipes • Residential equipment repairs • Wallpaper repairs
Projected expenses	¥3 million ~	¥0.5 ~ ¥3 million	Increased opaqueness	¥10,000 ~ ¥50,000
Market leaders	<ul style="list-style-type: none"> • House builders • Renovation companies 	<ul style="list-style-type: none"> • Renovation companies • Home electronics retailers 	No market leaders	<ul style="list-style-type: none"> • Plumbing repair shops • Decorative work shops, handyman services

Business Domain

Koukandekirukun aims to develop evolving business domains and establish itself as a market leader

	Renovation		Replace	Repair
	Large-scale renovations	General renovations	Replacement of residential equipment	Repairs/small-scale work
Type of construction	 <ul style="list-style-type: none"> • Renovations • Design-focused renovations • Expansion 	 <ul style="list-style-type: none"> • System kitchens • Bathroom units • Exterior walls • Flooring interior finishing 	 <ul style="list-style-type: none"> • Built-in dishwashers • Built-in gas stoves • Range hoods • Toilets 	 <ul style="list-style-type: none"> • Toilet water leak repairs • Clogged pipes • Residential equipment repairs • Wallpaper repairs
Projected expenses	¥3 million ~	¥0.5 ~ ¥3 million	¥50,000 ~ ¥500,000	¥10,000 ~ ¥50,000
Market leader	<ul style="list-style-type: none"> • House builders • Renovation companies 	<ul style="list-style-type: none"> • Renovation companies • Home electronics retailers 		<ul style="list-style-type: none"> • Plumbing repair shops • Decorative work shops, handyman services

DX of Replacement work through Web-based Quotes

Web-based quotes eliminate the need for sales representative visits, allowing customers to place orders easily while enabling businesses to take a proactive approach

(1) Request for Quote

Send photos of the equipment model number and measurement details

(2) Online Quote

No need for
an on-site estimate!

(3) Place order

Order online 24/7, 365 days a year

(4) Installation

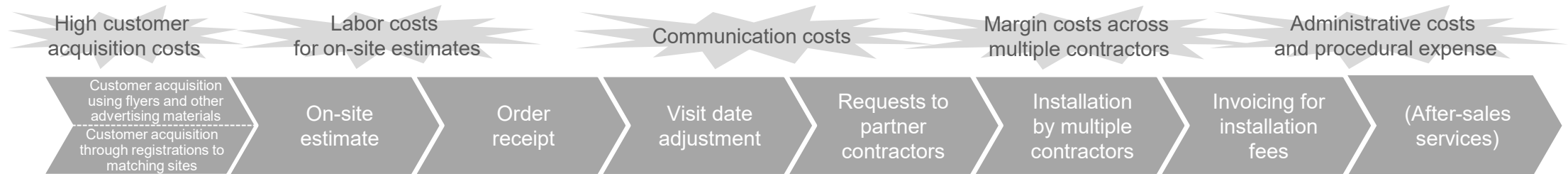
Presence required only on the day
of installation



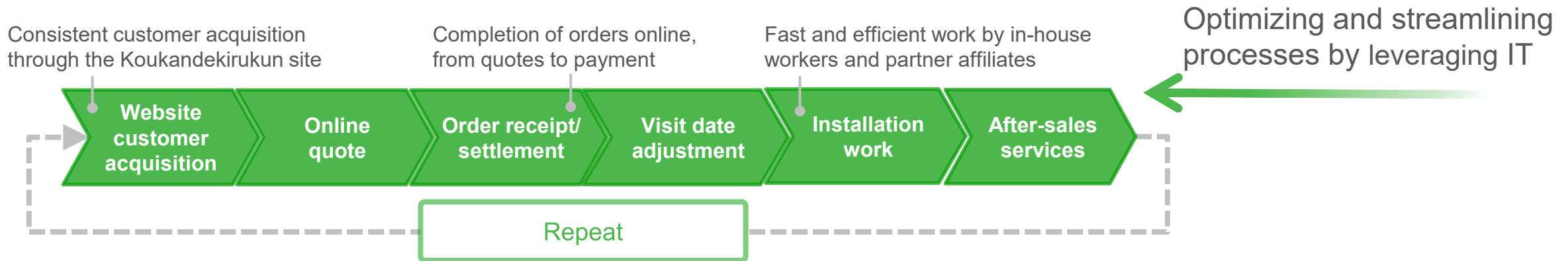
Achieving One-stop Residential Equipment Ordering

Creation of a business flow dedicated to single-item residential equipment orders to **achieve profitability**

I Traditional business flow



I Koukandekirukun's business flow



Strengths of Our Business

Provide valuable information to users to drive site traffic. As a result, increasing orders lead to enhanced content capabilities

As site traffic continues to increase, the growth cycle of the media has enabled **high profitability and a reduction in advertising costs**

(1) Koukandekirukun website

- Offering the latest products from leading domestic manufacturers
- Bestseller ranking
- Over 25,000 installation examples
- Over 18,000 user reviews

**Number of page views:
Over 30 million (annual)**

(4) Robust customer success system

- Finely-tailored support, including inquiries on equipment use
- Immediate all-hands response to any issues of products and installation
- All products come with a 10-year warranty, no repair costs during this period

**Customer success support:
Approx. 14,000 (annual)**



(2) High estimate accuracy without on-site inspections

- Quick quotes with no hassle for customers
- Transparent pricing with no additional costs at the time of installation

**Number of quotes:
Approx. 97,000 (annual)**

(3) Orders completed in-house through to installation

- Responsible installation carried out by a wholly-owned subsidiary
- Efficient project completion through cross-trained installation specialist in short timeframes, eliminating the need for multiple specialized workers

**Number of installation
projects: Approx. 48,000 (annual)**

Mega Site Specializing in Residential Equipment



Extensive volume of information

- Over 60,000 pages of unique content
- More than 33,000 accumulated user reviews
- A collection of over 28,000 installation examples

Increase in site inflow

- Large-scale site with over 35 million page views annually
- Site visits are expected to continue to increase



No On-site Estimates! Completed Online!

- ✓ No on-site estimates required!
Just attach photos and send them online!
Quick and hassle-free.
- ✓ Product cost + full service pack = Payment amount
Single price that remains the same for every customer
- ✓ Transparent pricing with **no additional charges on the day of the installation**



Over 20 years
of trial and error
**Highly accurate
estimation
expertise**

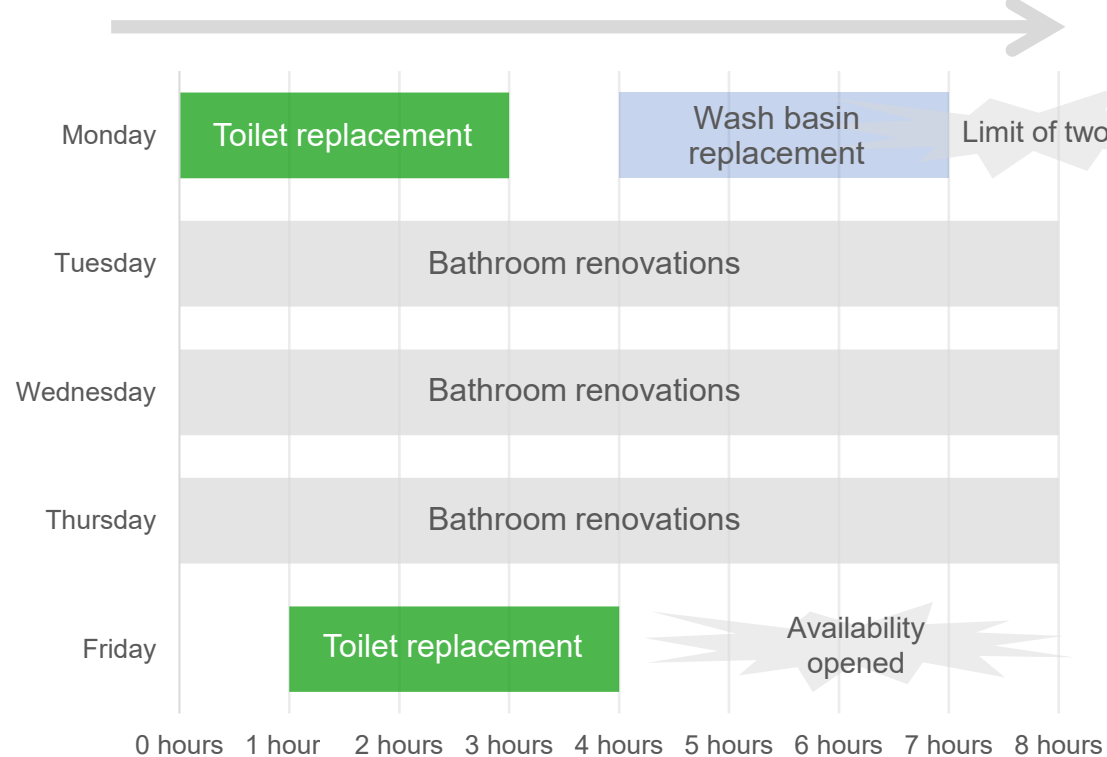
Improving Productivity through Schedule-Managed Installation

Specializing in single-unit replacements for residential equipment **improves quality and reduces work time**

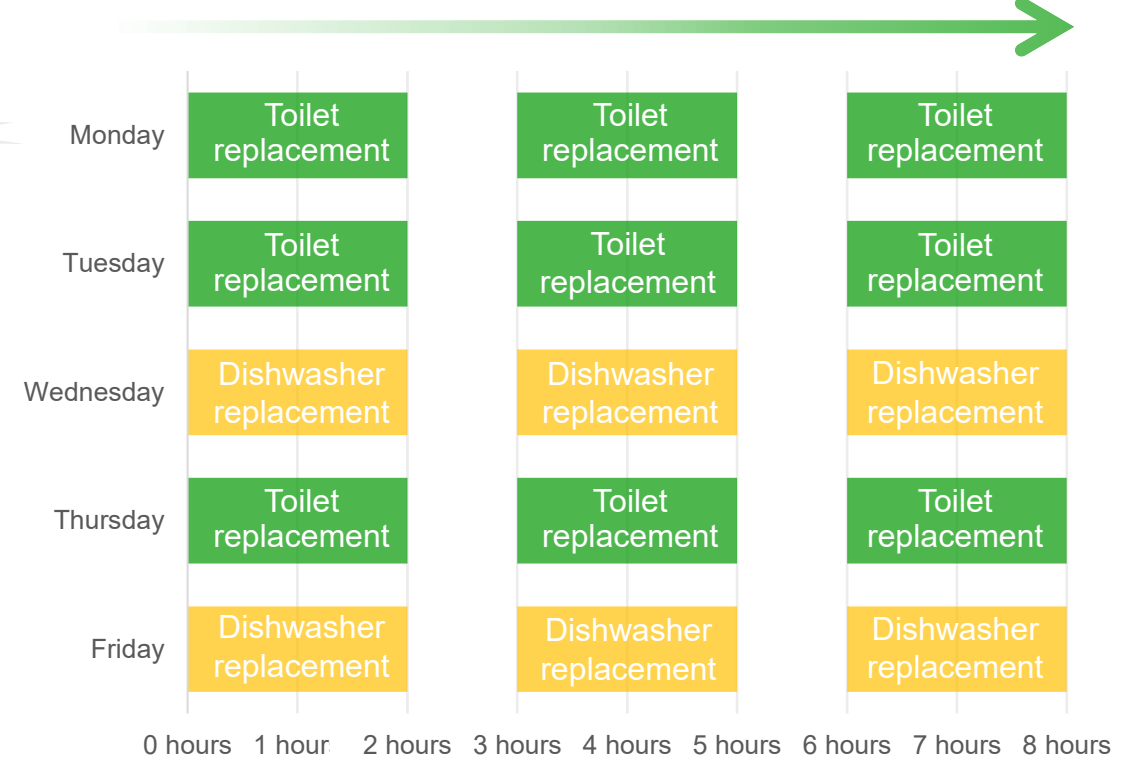
Improved productivity through efficient scheduling by bringing schedule management in-house



| Typical Scheduling Image of General Renovation Company



| Scheduling Image of Koukandekirukun



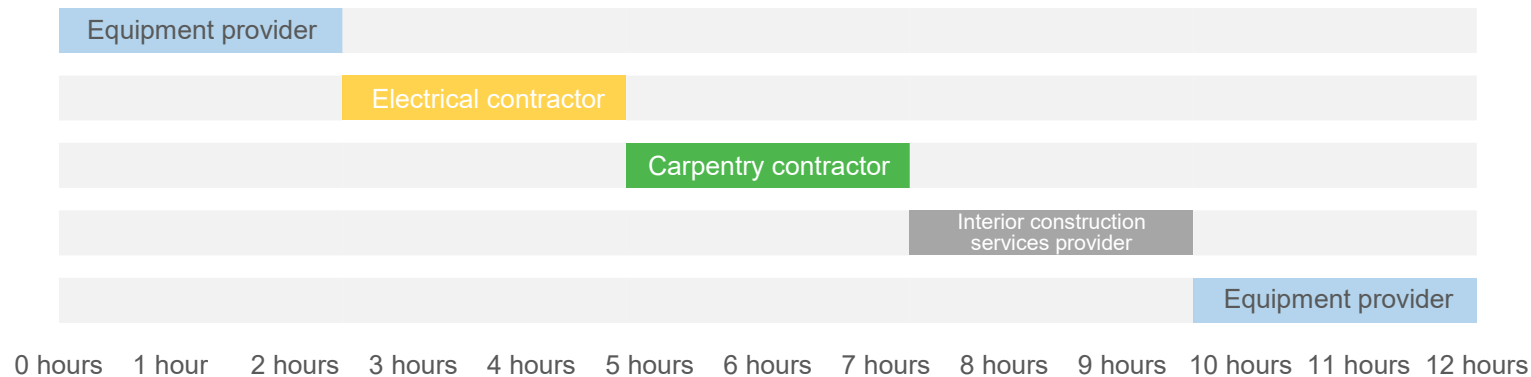
Productivity Improvement through Cross-Trained Workforce

Even for simple projects such as toilet renovations, which could be completed by a single worker in an hour, multiple workers were previously required on-site

Conventional construction work **can now be completed by a single worker within one day**, leveraging an **in-house training program** that develops carpenters into cross-trained specialists

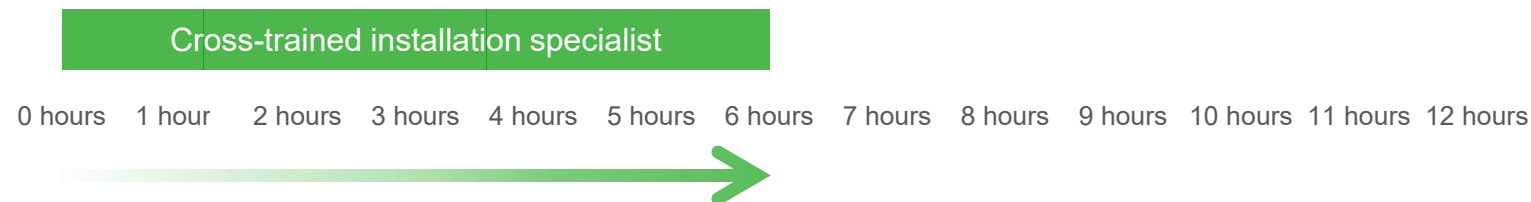
Easy scheduling and cost reduction lead to high price competitiveness and **increased wages for workers**

| Site image of system toilet and toilet interior construction



Various workers rotate in and out during installation

While larger construction projects can remain profitable, toilet renovation projects often lead to downtime, increasing costs and prolonging schedules

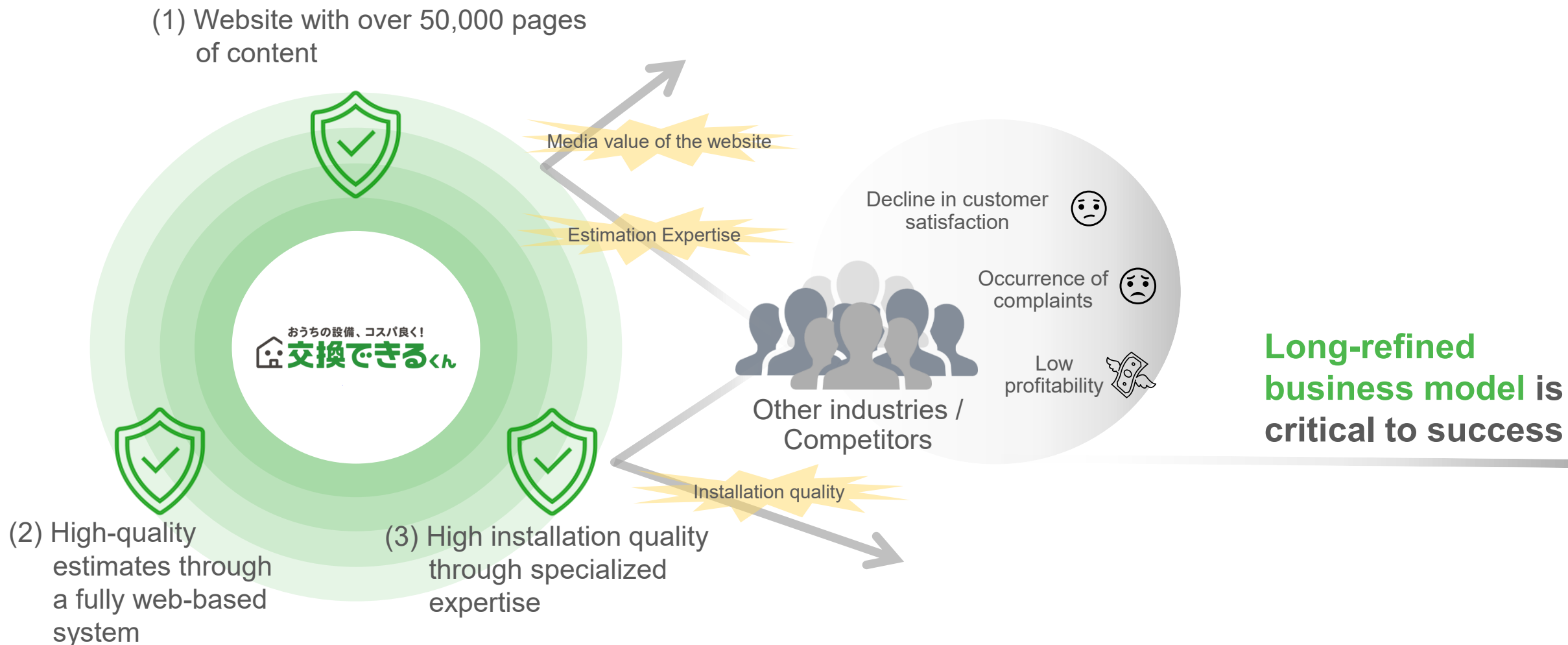


A single, skilled specialist completes the work in 6 hours

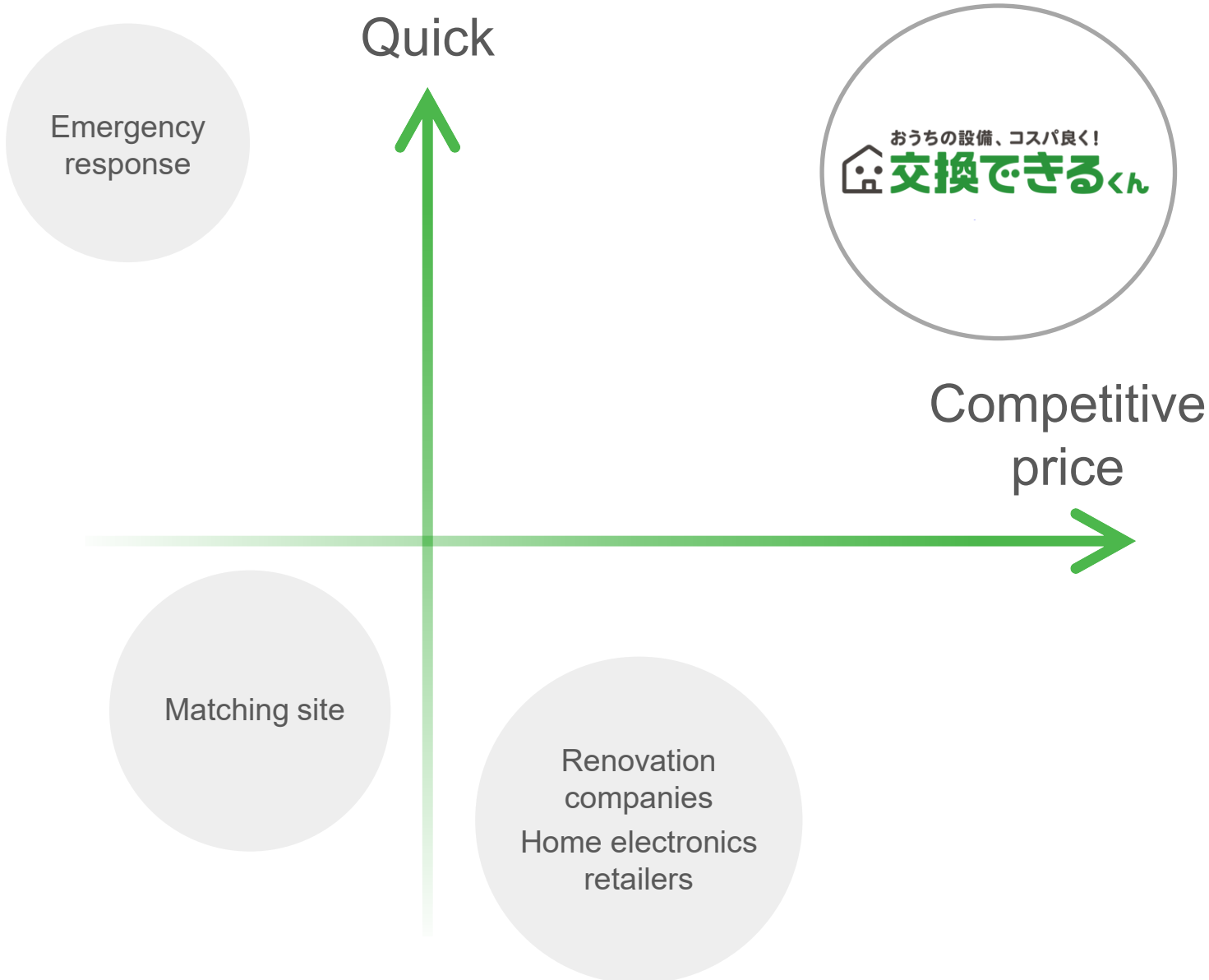
Specialized expertise ensures cost-effective, fast, and high-quality

Entry Barriers in the IT × Residential Equipment Single-Unit Replacement Market

By leveraging IT and strategically specializing in the challenging market of single-unit residential equipment replacement **where costs are high and profitability is difficult**, we have built **a strong entry barrier that cannot be easily replicated overnight**



Established a Unique Position



Unique position

- Established a unique position **to provide high quality** residential equipment installation at a **low cost and fast pace**
- Specialized in online services and residential equipment
- Competitive pricing, speed, and convenience of online sales

Installation managed in-house

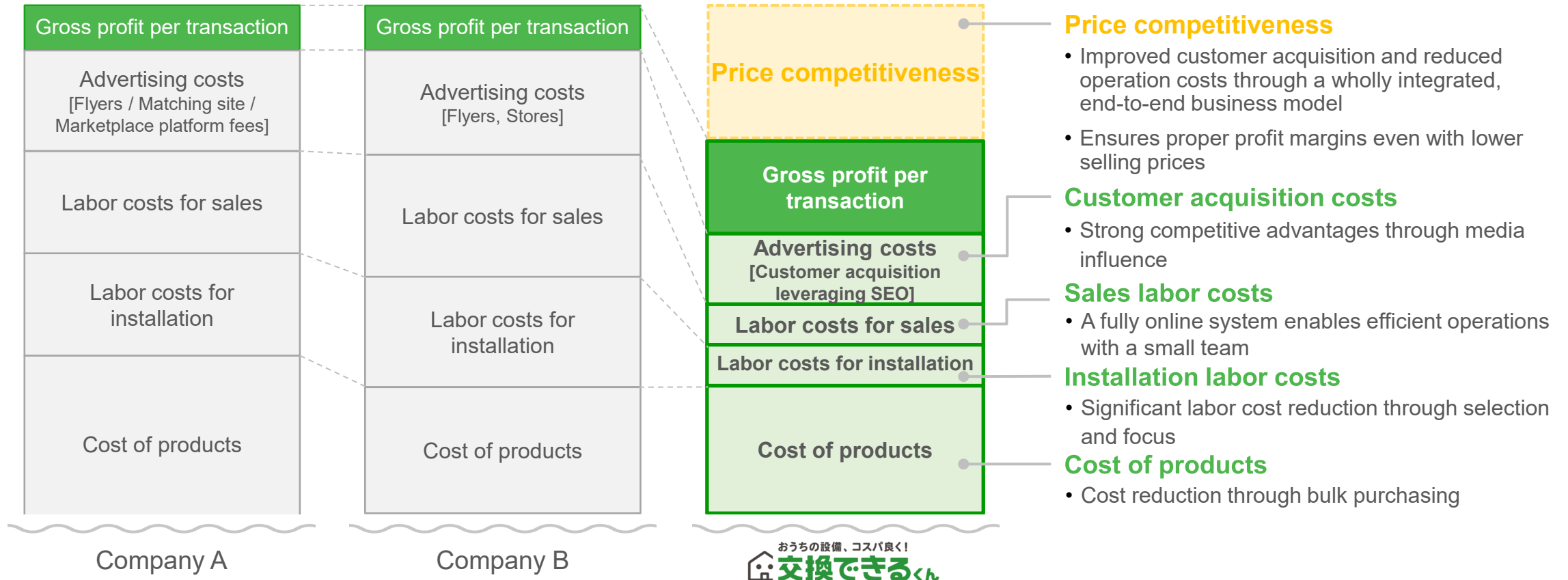
- Installation is **all managed in-house without offloading responsibility elsewhere**
- Managing after-sales service in-house, **strengthens customer success and ensures continuous improvement in service quality**

Cost Advantages

Digitizing the estimation and ordering process and **focusing exclusively on the residential equipment replacement on the largest market segment**, rather than general renovation or repair services, have allowed us to optimize operational costs

Achieving profitability in the replacing domain where monetization was difficult and the market was not yet established

| Comparison of profit and cost structures



Examples of Quote Comparison

Built-in dishwasher replacement

Replacement image



Competitor quote image

Item	Details	Amount (JPY)
Products	Panasonic built-in dishwasher NP-45MD9S Recommended retail price: ¥246,400 30% OFF (tax included)	172,480
Disassembly and removal	Removal of existing built-in dishwasher	8,800
Facility construction	Plumbing and drainage system renovation	22,000
Installation	Installation of built-in dishwasher	13,200
Disposal cost	Disposal of existing dishwasher and associated waste materials	11,000
Other	Miscellaneous expenses (site protection and management costs)	11,000
Total (tax included)		238,480

Koukandekirukun, Inc. quote

* As of October 31, 2025

Item	Details	Amount (JPY)
Products	Panasonic built-in dishwasher NP-45MD9S Recommended retail price: ¥246,400 50% OFF (tax incl.)	123,200
Basic installation	All-in-one service pack (dishwasher) *	39,800
Total (tax included)		163,000

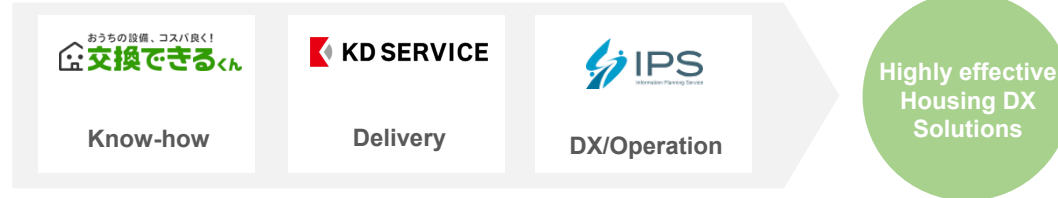
Approx. **2/3**
of the competitor's price

In addition

Both product and installation come with a free **10-year** warranty

Growth Image

(3) Commercialization of DX initiatives in the residential equipment/home renovation sector



Solution Business

Housing DX Business
B2B domain

(2) Strategic partnerships with companies providing lifestyle solutions



Market: Delays in promoting DX within the industry

Market: Forecast for a decline in the number of new construction starts
-> Strengthening the renovation business of companies providing lifestyle solutions

(1) Strengthen brand power

Establishing “residential equipment replacement = Koukandekirukun” in the lexicon

Housing DX Business B2C “Koukandekirukun” domain

Market: Residential equipment market
¥2.8 trillion
-> Less than 1% market share

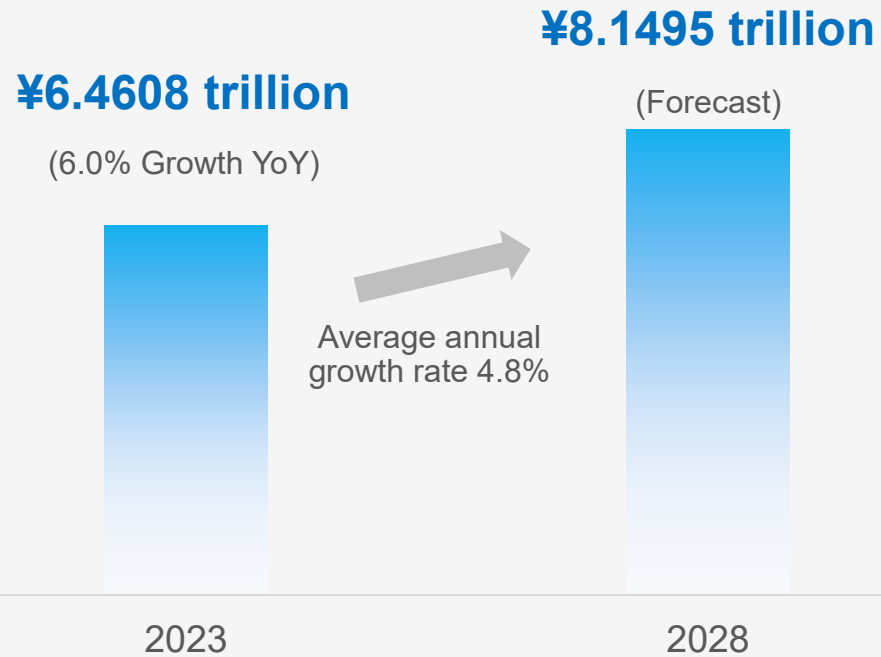
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Introduction to Solutions Business

Business Model of IPS, Inc.

Software development services and housing DX solutions

Size of the IT service market



*IDC Japan survey held in July 2024



Business characteristics
and future strategic outlook



Energy



Pharmaceuticals

Core business

Provision of enterprise software development services for large companies

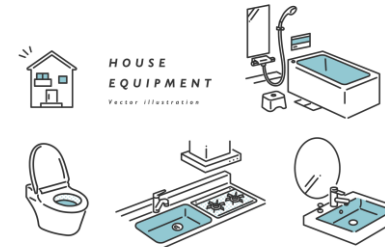
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Phase 1

Promote system platform development for the Housing DX Business

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Phase 2

Provision of B2B housing DX solutions



5 | **Frequently Asked Questions**

Frequently Asked Questions (1)

Frequently Asked Questions	Answer
Could you provide an update on recent business performance?	In accordance with our disclosure policy, we refrain from responding to questions concerning financial results prior to their release in order to ensure fairness in the information provided to all investors. Please wait until the announcement of our next financial results.
Is there seasonality in quarterly sales?	Regarding revenue, based on past trends, the annual distribution between the first half [April to September] and the second half [October to March] is approximately 45:55. In particular, during Q1 [April to June], demand tends to weaken due to factors such as extended holidays.
Are there sufficient installation resources, including an adequate number of skilled workers?	With the current number of skilled workers, we have allocated personnel capable of meeting planned targets, ensuring sufficient capacity. Looking ahead, we will continue recruitment efforts as needed in alignment with our business expansion and revenue growth.
What type of user demographic utilizes Koukandekirukun's services? Additionally, what is the repeat usage rate?"	Homeowners across all age groups use our services, with our core customer segment being in their 40s and 50s. While we do not disclose specific repeat usage rates, many customers who have experienced our service appreciate its convenience and quality. As a result, when they face equipment failures or seek upgrades, they naturally return to use our service again, making repeat customers a common occurrence.
What are the benefits of choosing Koukandekirukun among various companies?	Beyond competitive pricing, our specialization in the replacement of residential equipment allows us to provide accurate estimates based on years of installation experience. With reliable workmanship and excellent customer support, we ensure a service that our customers can trust with confidence.
What are the entry barriers and Koukandekirukun's strengths in the future digitalization of renovation businesses and cross-industry market entry by e-commerce operators?	Our company has strategically specialized in the replacement of individual residential equipment, a market that is costly and challenging to monetize within the industry. This specialization has allowed us to develop three key strengths that are difficult to replicate overnight: 1) significant media presence, a website with over 50,000 pages, 2) high-quality estimates and customer service through a fully online process, and 3) superior installation quality backed by expertise in residential equipment replacement. By meticulously refining these aspects over the years and accumulating over 20 years of trial and error, we have established a unique operational advantage. This enables us to offer more competitive pricing than renovation companies or major retailers while securing an appropriate profit margin. Considering the challenges new entrants must navigate to reach this level of expertise, our company remains significantly ahead in the market.

Frequently Asked Questions (2)

Frequently Asked Questions	Answer
Do you have any plans to expand to regional cities?	We currently have a presence in seven major metropolitan areas including Sapporo, Sendai, and Hiroshima, in addition to the Kanto, Tokai, and Kansai regions. These areas still have significant scope for further development, and we are focusing efforts on deepening our presence within these areas. As part of this expansion, we have extended our coverage to the Toyohashi/Hamamatsu areas in July 2024. Moving forward, we plan to continue expanding into highly populated regional cities surrounding these seven metropolitan areas.
Does the founder and CEO have hands-on field experience?	Our founder and CEO spent approximately 10 years actively working on-site, handling installation, site management, and overseeing field operations from the early days of the company. Additionally, with a deep understanding of on-site work and expertise in marketing, he leads the company with a well-rounded approach to management.
How many employees and skilled workers work for your company?	As of September 2025, our consolidated workforce consists of 251 employees, including 18 in-house skilled workers. Additionally, the total number of skilled workers comprises 18 in-house professionals and 237 contracted partners, bringing the total workforce in this category to 255.
What is your dividend policy?	Since our establishment, we have prioritized strengthening human resource investment, system development, and financial stability to enhance business performance, and as such, we have not implemented dividend payments. We recognize shareholder returns as a key management issue and intend to consider dividends while ensuring necessary internal reserves for future business expansion and strengthening our management structure. However, at this time, the possibility and timing of dividend payments remain undecided.

Notes on the Handling of this Document

The information provided in this document contains forward-looking statements.

These are based on current expectations, forecasts, and assumptions that involve risks.

These statements contain uncertainties that could lead to results materially different from those described.

These risks and uncertainties include general industry and market conditions, interest rates, exchange rate fluctuations, and other domestic and international economic factors.

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