



Consolidated Financial Results for the Second Quarter (Interim Period) FY04/26[Japanese GAAP]

December 15, 2025

Name of listed company Hamee Corp.

Listed stock exchanges

East

Code Number 3134

URL <https://hamee.co.jp/>

Representative (Title) President and CEO

(Name) Ikuhiro Mizushima

Contact person (Title) Corporate Planning Dept. Manager

(Name) Toshiki Kunii

(TEL) +81-465-25-0260

Scheduled date to file

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Quarterly Securities Report

of dividend payment

Preparation of supplementary material on quarterly financial results: Yes

Holding financial results briefing : Yes (For analysts and institutional investors to be held on December 16, 2025)

(Millions of yen are rounded down.)

1.FY04/26 Q2(Interim Period) consolidated results (May 1, 2025, to October 31, 2025)

(1) Consolidated Operating Results (Cumulative) (Percentages indicate year-on-year changes.)

| | Net sales | | Operating income | | Ordinary income | | Net profit attributable to owners of parent | |
|------------|-----------------|------|------------------|--------|-----------------|--------|---|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Q2 FY04/26 | 11,232 | 5.2 | 705 | (30.9) | 547 | (47.0) | 299 | (54.9) |
| Q2 FY04/25 | 10,677 | 39.9 | 1,021 | 61.2 | 1,033 | 47.6 | 665 | 229.7 |

(NOTE) Comprehensive income Q2 FY04/26 492Millions of yen (7.3%) Q2 FY04/25 531Millions of yen (3.8%)

| | Earnings Per share | Diluted Earnings Per share |
|------------|--------------------|----------------------------|
| | Yen | Yen |
| Q2 FY04/26 | 18.78 | 18.76 |
| Q2 FY04/25 | 41.77 | 41.77 |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity Ratio |
|------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| Q2 FY04/26 | 19,556 | 11,107 | 56.5 |
| FY04/25 | 16,972 | 10,570 | 61.8 |

(Reference) Shareholders' equity Q2 FY04/26 11,043Millions of yen FY04/25 10,486Millions of yen

2.Dividends

| | Dividend per share | | | | |
|--------------------|----------------------|-----------------------|--------------------------|----------|-------|
| | End of first quarter | End of second quarter | End of the third quarter | Year end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY04/25 | — | 0.00 | — | 22.50 | 22.50 |
| FY04/26 | — | 0.00 | | | |
| FY04/26 (Forecast) | | | — | 22.50 | 22.50 |

(NOTE) Revisions to the most recently announced dividend forecasts None

3.Forecast of Consolidated Financial Results for the Year Ending April 2026 (May 1, 2025, to April 30, 2026)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating income | | Ordinary income | | Net profit Attributable to owners of parent | | Earnings Per share |
|-----------|-----------------|-------|------------------|--------|-----------------|--------|---|--------|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 21,673 | (5.3) | 723 | (69.3) | 479 | (79.6) | 152 | (88.1) | 9.33 |

(NOTE) Revisions to the consolidated forecasts most recently announced :None

(NOTE) Because we manage our performance on an annual basis, our earnings forecasts are only for the full fiscal year.

※ Notes

(1) Changes of important subsidiaries during the period : None

New - company, Removed - company

(2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statements : None

(3) Changes in accounting policies and changes or restatement of accounting estimates

① Changes in accounting policies caused by revision of accounting standards : None

② Changes in accounting policies other than ① : None

③ Changes in accounting estimates : None

④ Restatement : None

(4) Number of shares of outstanding (common stock)

| | | | | |
|---|------------|------------------|------------|------------------|
| ① Number of shares outstanding at the end of the period (including treasury stock) | Q2 FY04/26 | 16,328,100Shares | FY04/25 | 16,296,400Shares |
| ② Number of treasury shares at the end of the period | Q2 FY04/26 | 327,099Shares | FY04/25 | 344,675Shares |
| ③ Average number of shares during the period (quarterly consolidated cumulative period) | Q2 FY04/26 | 15,976,866Shares | Q2 FY04/25 | 15,939,751Shares |

※ This quarterly (Interim Period) financial report is not subject to quarterly review by a certified public accountant or auditing firm.

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "1. Qualitative Information on the current quarter's performance, (3) Explanation of future forecasts such as Consolidated performance Forecasts" on page 6 of the attached material for the assumptions underlying the earnings forecasts and notes on the use of the earnings forecasts.

○Accompanying Materials – Contents

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1. Qualitative Information on the current quarter's performance

(1) Explanation of Operating Results

According to the Bank of Japan Tankan in September, DI for all large enterprises (Business Conditions Index) improved for two consecutive quarters in manufacturing and remained unchanged in non-manufacturing. However, the outlook for the Japanese economy remains uncertain due to heightened geopolitical risks and rapid exchange rate fluctuations being perceived as risk factors. In non-manufacturing as well, the worsening of labor shortages and prolonged price hikes, as well as concerns over the full-fledged negative impact of U.S. tariffs and the slowdown in overseas economies.

In this business environment, our operating results by segment for the current interim consolidated accounting period were as follows.

① Commerce segment

a. Mobile Life Business

In the past year, sales of products for the new iPhone have tended to grow significantly from the second quarter to the third quarter. During the current interim consolidated accounting period, EC sales increased year-on-year. On the other hand, in wholesales, the growth of sales of these series-related products was partly restrained as demand for iPhone17 series fell below initial expectations, partly due to the impact of higher prices for iPhone.

In the wholesale channels, the scope for sales has shrunk due to factors such as toned-down stance on the handling of new iPhone at stores, and the transaction volume of our products has not grown, and we believe that a portion of demand is shifting to EC. EC as a whole increased year-on-year, particularly in sales to Amazon, but competition intensified due to the emergence of foreign manufacturers, and this did not fully compensate for the decline in wholesales.

Regarding new product development, in addition to products for iPhone17 series, products other than those for iPhone, batteries and mobile-related accessories reflecting market trends, as well as collaborative planning with popular IP contents, we focused on expanding sales of our mainstay iFace series. As a result of these initiatives, net sales decreased 1.2% year on year.

Operating income decreased from the same period of the previous year. This was mainly due to the decline in wholesales and slightly lower-than-expected demand for iPhone17 series as mentioned above, as well as continued growth in marketing spending with a view to future sales growth. In addition, sales-type advertising measures were unable to fully achieve the anticipated benefits.

b. Cosmetics Business

Regarding the cosmetics brand ByUR, both EC sales and wholesale sales have been at levels exceeding the results of the previous fiscal year, and we continue to grow steadily as a core business. Although wholesale was sluggish in the first quarter due to the impact of changes in wholesale destinations and other factors associated with the reorganization of sales channels, in the second quarter we worked to strengthen our in-store presence by expanding sales of new products in the fall that was launched in September. Among new products in the fall, liquid foundation, the first development of ByUR, drove sales, and we recorded the highest monthly net sales ever. As a result, net sales for the current interim consolidated accounting period increased 11.9% year on year.

Looking at trends by product, there has been a remarkable return to the base makeup category, and this category has been performing well. Meanwhile, in the sheet masks and skincare categories, sheet masks have been affected by the shrinking trend in the overall market, and the skincare category has been relatively sluggish. Against this backdrop, the top-line of the brand has grown and continues to grow.

Operating income decreased from the same period of the previous fiscal year, despite securing a profit in the second quarter. This was mainly due to an increase in sales promotion and logistics costs for fixtures and sample items associated with the expansion of the base makeup category product drug store business, as well as an increase in processing costs related to an increase in the volume of returned goods associated with the reorganization of wholesale destinations.

c. Gaming Accessories Business

Regarding the gaming monitor brand "Pixio", although we launched new color monitors (Yellow) and developed new wholesalers, overall market oversupply resulted in continued introduction of low-priced products by new entrants and existing competitors. As a result, price competition intensified further, and net sales were generally unchanged year on year. Even in such circumstances, No.1 position in this category in Amazon is maintained.

By channel, EC stores other than Amazon and electronics retailers are generally in a difficult situation. On the other hand, profitability has improved to a certain extent due to a higher percentage of sales of accessories such as monitor arms. As a result, consolidated net sales for the current interim consolidated accounting period increased by 8.6% compared to the same period last year.

In terms of operating income, despite securing generally the same level as the same period of the previous fiscal year, in addition to an increase in advertising expenses due to intensifying competition, temporary logistics costs and inventory transfer costs associated with the relocation of warehouses pushed down profits.

d. Global Business

In the U.S., Korea and China markets, net sales after eliminations increased 6.7% year on year, and net sales outside the group also increased 4.2% year on year. By region, EC and wholesales in the U.S. remained cautious despite a year-on-year increase despite a decline in inter-company sales in Korea.

Operating income decreased from the same period of the previous year. This was mainly due to a decrease in profit margin resulting from an increase in unrealized profit associated with an increase in inventory in the domestic mobile life business and the negative impact of U.S. tariffs, as well as an increase in marketing expenses related to sales expansion, personnel expenses and logistics expenses at overseas subsidiaries.

As a result, net sales in the Commerce segment for the current interim consolidated accounting period were JPY9,254,158 thousand (up 4.3% year on year), and segment income (operating income) was JPY549,906 thousand (down 34.1% year on year.)

② Platform segment

a. Next Engine Business

In September and October, the growth of ARPU (NOTE), a key indicator of Next Engine sales mix, fell short of expectations due to the recognition of changes in consumer behavior in households as a result of the impact of soaring prices of consumer goods, including food and daily necessities, against the backdrop of geopolitical risks and rising energy prices due to the continuing depreciation of the yen. However, because of an increase in the volume of "Next Engine Order-Made" contract development services to address individual customer issues, ARPU grew steadily by 2.8% year-on-year (excluding special factors) for the current interim consolidated accounting period.

With regard to the number of contracted clients, the total number of contracted clients was 6,700 (up 130 clients from the end of the previous fiscal year), due in part to the strong performance in the pace of contract acquisition itself, despite a temporary increase in cancellations in May and June due to the impact of the suspension of services for external shipping systems in which Next Engine is linked.

As a result, net sales in the Next Engine Business were JPY1,542,314 thousand (up 5.9% year on year), and segment income was JPY986,107 thousand (up 4.1% year on year).

(NOTE) ARPU(Average Revenue Per User) means an indicator of average sales per user.

b. Consulting Business

In response to the management issue of securing resources of consultants, in the previous fiscal year we were able to improve profitability by focusing on initiatives that emphasize profitability, such as profitability management for each project, improving the utilization rate of consultants, and reviewing costs. For this fiscal year, our policy is to aim to expand sales by utilizing external resources. Although the company struggled to acquire new contracts due to issues related to external resources. Segment

results exceeded the initial plan because of the company's efforts to increase the added value of existing contracts and sales of AI reskilling courses, a new product, exceeding the forecast.

As a result of the above, net sales in the Consulting Business were JPY236,649 thousand (down 29.1% year-on-year), and segment income was JPY34,818 thousand (down 13.1% year on year.)

c. Localco Business

In the previous fiscal year, there were several cancellations by contracted municipalities, and the base of revenue declined. However, the increased frequency of the company's resource involvement with contracted municipalities led to the realization of the effectiveness of various measures (such as web advertising, cooperation in return gift development, and optimization of return gift pages.) The municipalities that continued their contracts saw an increase in donation amounts exceeding the results of the same period last year. In addition, a rush in demand occurred in September prior to the abolishment of points on various hometown tax payment portal sites following system changes in October.

In EC and sales of traditional craft products business, we worked to expand sales by implementing measures to increase awareness in EC malls and develop POP UP STORE at retail facilities in Kanagawa Prefecture.

As a result of the above, net sales in the Localco Business increased to JPY208,983 thousand (up 22.4% year on year), but segment income decreased to JPY9,434 thousand (down 72.7% year on year) due to an increase in the number of employees in EC sales business for traditional craft products and investment in sales promotion expenses.

d. Other

Other includes "encer mall", a new wholesale marketplace linking manufacturers and retailers that was released in β in the fiscal year ended April 2024 as part of new business development. During the first quarter of the fiscal year under review, the Company ceased providing services for the β version and recorded expenses mainly related to research and development.

In Other, net sales were JPY31 thousand (compared with JPY27 thousand in the same period of the previous fiscal year) and segment income was JPY16,728 thousand (compared with a loss of JPY69,629 thousand in the same period of the previous fiscal year.)

As a result of the above, the Platform segment recorded sales of JPY1,987,978 thousand (up 9.8% year on year) and segment profit (operating income) of JPY1,013,634 thousand (up 6.7% year on year) for the current interim consolidated accounting period.

As a result of the above, for the current interim consolidated accounting period, net sales were JPY11,232,629 thousand (up 5.2% year on year), operating income was JPY705,326 thousand (down 30.9% year on year), ordinary income was JPY547,735 thousand (down 47.0% year on year), and interim net income attributable to owners of parent was JPY299,984 thousand (down 54.9% year on year.)

③ For each stage profit

a. Operating income

In the Mobile Life Business, demand for iPhone17 series was lower than initially expected, and growth in related products in this series was partly restrained. In the Cosmetics Business, there was an increase in sales promotion expenses for furniture, fixtures, samples, etc. associated with the emergence of product valuation losses in the first quarter and the expansion of drugstore operations. In the Gaming Accessories Business, there was an increase in advertising expenses and logistics expenses in response to intensifying competition in the market. In addition, there was a decrease in margins due to the negative impact of U.S. customs duties in the Global Business, and an increase in personnel expenses at overseas subsidiaries. As a result, operating income was JPY705,326 thousand (down 30.9 year on year.)

b. Ordinary income

Ordinary income decreased 47.0% year on year due to an increase in non-operating expenses such as an increase of JPY131,463 thousand in equity in losses of affiliates and the recording of a provision for doubtful accounts of an unconsolidated subsidiary. This is primarily due to a combination of recognizing our share of the net loss of Pixio USA Inc., which became an equity method affiliated in January 2025, and the significant amount of unrealized profit or loss on gaming accessory-related products sourced from the company.

c. Net income attributable to c. owners of parent

Net income attributable to owners of the parent was JPY299,984 thousand (down 54.9% year-on-year), mainly due to a plan divergence in the Commerce segment and an increase in equity in loss of affiliates.

(2) Explanation of Financial Position

① Financial position

Assets at the end of the current interim consolidated accounting period increased by JPY2,583,812 thousand from the end of the previous consolidated accounting year to JPY19,556,402 thousand. This was mainly due to an increase of JPY823,859 thousand in other current assets, an increase of JPY591,220 thousand in right-of-use assets, an increase of JPY512,566 thousand in product, an increase of JPY323,123 thousand in cash and deposits, and an increase of JPY269,868 thousand in accounts receivable.

Liabilities increased by JPY2,046,683 thousand from the end of the previous fiscal year to JPY8,449,151 thousand. This was mainly due to an increase of JPY1,300,000 thousand in short-term loans payable, an increase of JPY645,069 thousand in other non-current liabilities, and an increase of JPY254,920 thousand in accounts payable-other, despite a decrease of JPY252,714 thousand in income taxes payable.

Net assets increased JPY537,129 thousand from the end of the previous fiscal year to JPY11,107,251 thousand. This was mainly due to an increase of JPY345,000 thousand in margin for subscription of new shares and an increase of JPY192,639 thousand in foreign currency translation adjustment.

② Cash Flow

Cash and cash equivalents (hereinafter "cash") at the end of the current interim consolidated accounting period increased by JPY323,123 thousand from the end of the previous consolidated accounting year to JPY5,316,695 thousand.

The status of each cash flow and its factors at the end of the current interim consolidated accounting period are as follows.

(Cash flows from operating activities)

Net cash used in operating activities was JPY657,543 thousand, compared with JPY1,054,616 thousand used in the same period of the previous fiscal year. This was mainly due to an increase in inventories of JPY613,279 thousand, income taxes paid of JPY516,888 thousand, and an increase in advances paid of JPY414,504 thousand, which were outflows against income before income taxes of JPY518,085 thousand, depreciation and amortization of JPY383,490 thousand, and an increase in accounts payable-other of JPY299,399 thousand.

(Cash flows from investing activities)

Net cash used in investing activities was JPY295,185 thousand, compared with net cash used of JPY397,446 thousand in the same period of the previous fiscal year. This was mainly due to expenditures of JPY199,910 thousand for the acquisition of property, plant and equipment and JPY61,491 thousand for the acquisition of intangible assets such as software.

(Cash flows from financing activities)

Net cash provided by financing activities was JPY1,223,897 thousand compared with JPY1,369,681 thousand provided in the same period of the previous fiscal year. This was mainly due to cash inflows such as an increase in short-term loans payable of JPY1,300,000 thousand and proceeds from payment of subscription margin for new shares of JPY345,000 thousand, offset by cash dividends paid of JPY358,914 thousand.

(3) Explanation of future forecasts such as Consolidated performance Forecasts

Regarding the full-year earnings forecast, we have revised the full-year consolidated earnings forecast announced on June 13, 2025, based on the progress of the business results in the current interim consolidated accounting period and the recent business environment. For details of the revisions, please refer to the " Notice of revision to FY April 2026 full-year results forecast " announced on December 15, 2025.

2. Interim Consolidated Financial Statements and Major Notes

(1) Interim Consolidated Balance Sheets

(Thousands of yen)

| | End of previous fiscal year (April 30, 2025) | End of second quarter of the fiscal year (October 31, 2025) |
|---------------------------------------|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 4,993,572 | 5,316,695 |
| Accounts receivable | 2,352,311 | 2,622,179 |
| Inventory | 4,145,508 | 4,658,075 |
| Work in process | 5,514 | 7,857 |
| Raw materials and supplies | 121,166 | 197,513 |
| Others | 1,840,233 | 2,664,092 |
| Allowance for doubtful accounts | (36,450) | (69,872) |
| Total current assets | 13,421,855 | 15,396,541 |
| Fixed assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 964,588 | 996,276 |
| Accumulated depreciation | (256,060) | (243,062) |
| Buildings and structures, net | 708,527 | 753,214 |
| Automotive equipment | 3,555 | 6,757 |
| Accumulated depreciation | (2,274) | (2,951) |
| Vehicles, net | 1,280 | 3,806 |
| Tools, furniture and fixtures | 1,347,043 | 1,401,903 |
| Accumulated depreciation | (965,938) | (1,019,603) |
| Tools, furniture, and fixtures, net | 381,105 | 382,300 |
| Right-of-use asset | 409,525 | 930,267 |
| Accumulated depreciation | (208,983) | (138,504) |
| Assets for right of use, net | 200,542 | 791,762 |
| Land | 335,433 | 350,605 |
| Construction in progress | 995 | - |
| Total property, plant and equipment | 1,627,885 | 2,281,689 |
| Intangible assets | | |
| Goodwill | 280,363 | 239,763 |
| Software | 244,947 | 246,786 |
| Trademark right | 21,317 | 24,309 |
| Others | 61,667 | 64,182 |
| Total intangible assets | 608,296 | 575,042 |
| Investments and other assets | | |
| Investment securities | 10,934 | 10,849 |
| Stocks of subsidiaries and affiliates | 548,367 | 456,966 |
| Long-term loans receivable | 17,500 | 16,482 |
| Net defined benefit asset | 122,440 | 39,819 |
| Deferred tax assets | 440,554 | 571,914 |
| Others | 197,696 | 231,508 |
| Allowance for doubtful accounts | (22,940) | (24,410) |
| Total investments and other assets | 1,314,553 | 1,303,129 |
| Total noncurrent assets | 3,550,734 | 4,159,861 |
| Total assets | 16,972,590 | 19,556,402 |

| | (Thousands of yen) | |
|--|---|---|
| | End of previous fiscal year As of April 30, 2025 | End of second quarter of the fiscal year (October 31, 2025) |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable | 232,041 | 330,523 |
| Short-term loans payable | 3,850,000 | 5,150,000 |
| Accounts payable-other | 1,083,430 | 1,338,350 |
| Accrued expenses | 271,625 | 263,878 |
| Income taxes payable | 496,009 | 243,294 |
| Provision for bonuses | 69,334 | 34,819 |
| Asset retirement obligations | 11,187 | - |
| Others | 243,924 | 278,497 |
| Total current liabilities | 6,257,553 | 7,639,364 |
| Long-term liabilities | | |
| Asset retirement obligations | 40,988 | 60,790 |
| Others | 103,926 | 748,995 |
| Total noncurrent liabilities | 144,914 | 809,786 |
| Total liabilities | 6,402,467 | 8,449,151 |
| Net assets | | |
| Shareholders' equity | | |
| Common stock | 607,419 | 635,617 |
| Margin for subscription to new shares | - | 345,000 |
| Capital surplus | 555,203 | 589,001 |
| Retained earnings | 9,519,286 | 9,460,357 |
| Treasury stock | (331,321) | (314,957) |
| Total shareholders' equity | 10,350,589 | 10,715,018 |
| Other accumulated comprehensive income | | |
| Foreign currency translation adjustments | 135,876 | 328,515 |
| Total other accumulated comprehensive income | 135,876 | 328,515 |
| Stock Option | 83,657 | 63,717 |
| Total net assets | 10,570,122 | 11,107,251 |
| Total liabilities and net assets | 16,972,590 | 19,556,402 |

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

Consolidated income statement for the quarter

| | (Thousands of yen) | |
|--|---|---|
| | First six-month period of previous fiscal year (May 1, 2024 To October 31, 2024) | First six-month period of fiscal year under review (May 1, 2025 To October 31, 2025) |
| Net sales | 10,677,513 | 11,232,629 |
| Cost of sales | 4,469,064 | 4,590,277 |
| Gross profit | 6,208,448 | 6,642,351 |
| Selling, general and administrative expenses | 5,187,296 | 5,937,025 |
| Operating income | 1,021,152 | 705,326 |
| Non-operating income | | |
| Interest income | 1,031 | 4,887 |
| Compensation income | 7,172 | 15,893 |
| Foreign exchange gain | 2,041 | 8,667 |
| Others | 39,369 | 19,235 |
| Total non-operating income | 49,614 | 48,684 |
| Non-operating expenses | | |
| Interest expenses | 15,461 | 31,113 |
| Payment Guarantee Fee | 3,989 | 3,707 |
| Equity in losses of affiliates | 8,586 | 140,049 |
| Others | 9,085 | 31,404 |
| Total non-operating expenses | 37,122 | 206,274 |
| Ordinary income | 1,033,645 | 547,735 |
| Extraordinary income | | |
| Gain on sales of noncurrent assets | 22 | 1,781 |
| Gain on sales of investment securities | - | 10 |
| Gain on reversal of stock acquisition rights | 3,774 | - |
| Total extraordinary income | 3,796 | 1,791 |
| Extraordinary losses | | |
| Loss on retirement of noncurrent assets | 5,090 | 13,141 |
| Loss on sale of investment securities | 1,532 | - |
| Write-down of investment securities | 19,998 | 85 |
| Valuation loss on shares of affiliates | - | 18,214 |
| Total extraordinary loss | 26,621 | 31,441 |
| Income before income taxes | 1,010,819 | 518,085 |
| Income taxes | 405,435 | 226,826 |
| Income taxes-deferred | (60,498) | (8,724) |
| Total income taxes | 344,937 | 218,101 |
| Net income | 665,882 | 299,984 |
| Profit attributable to owners of parent | 665,882 | 299,984 |

Quarterly Consolidated Statements of Comprehensive Income

| | (Thousands of yen) | |
|--|---|---|
| | First six-month period of previous fiscal year (May 1, 2024 To October 31, 2024) | First six-month period of fiscal year under review (May 1, 2025 To October 31, 2025) |
| Net income | 665,882 | 299,984 |
| Other comprehensive income | | |
| Valuation difference on securities | (9,118) | - |
| Foreign currency translation adjustments | (125,128) | 192,639 |
| Total other comprehensive income | (134,247) | 192,639 |
| Comprehensive income | 531,635 | 492,623 |
| (Comprehensive income attributable to) | | |
| Comprehensive income attributable to owners of the parent | 531,635 | 492,623 |
| Comprehensive income attributable to non-controlling interests | - | - |

(3) Interim Consolidated Statements of Cash Flows

| | (Thousands of yen) | |
|---|---|---|
| | First six-month period of previous fiscal year (May 1, 2024 To October 31, 2024) | First six-month period of fiscal year under review (May 1, 2025 To October 31, 2025) |
| Net cash provided by operating activities | | |
| Income before income taxes | 1,010,819 | 518,085 |
| Depreciation and amortization | 305,248 | 383,490 |
| IPO related expense | - | 11,392 |
| Commission for syndicate loan | - | 790 |
| Amortization of goodwill | 58,132 | 52,829 |
| Loss on retirement of property, plant and equipment | 5,090 | 13,141 |
| Loss on sales of property, plant and equipment (△gain) | - | (1,781) |
| Valuation loss on shares of affiliates | - | 18,214 |
| Unrealized gains on available-for-sale securities. (△gain) | 19,998 | 85 |
| Loss on Sales of Investment Securities. (△gain) | 1,532 | (10) |
| Increase in allowance for doubtful accounts (△decrease) | (1,341) | 31,740 |
| Increase in accrued bonuses (△decrease) | 13,582 | (37,332) |
| Increase in net defined benefit asset and liability | 45,355 | 87,412 |
| Interest and dividend income | (1,031) | (4,887) |
| Interest expenses | 15,461 | 31,113 |
| Equity in earnings of affiliates (△gain) | 8,586 | 140,049 |
| Decrease in notes and accounts receivable trade (△increase) | (622,745) | (237,495) |
| Decrease in inventories (△increase) | (1,087,946) | (613,279) |
| Increase in notes and accounts payable trade (△decrease) | 15,535 | 91,121 |
| Increase in advances paid (△increased) | (275,392) | (26,509) |
| Increase in advances paid (△increased) | (243,541) | (414,504) |
| Increase in prepaid expenses (△increased) | (125,318) | (184,795) |
| Increase in accounts payable-other (△decrease) | 168,780 | 299,399 |
| Increase in accrued expenses (△decrease) | 14,160 | (9,445) |
| Others | 3,840 | (275,010) |
| Subtotal | (671,191) | (126,185) |
| Interest and dividends income received | 819 | 4,887 |
| Interest expenses paid | (19,211) | (19,356) |
| Income taxes paid | (365,032) | (516,888) |
| Net cash provided by operating activities | (1,054,616) | (657,543) |
| Cash flow from investing activities | | |
| Purchase of property, plant and equipment | (162,817) | (199,910) |
| Purchase of intangible assets | (97,719) | (61,491) |
| Purchase of investment securities | (19,998) | - |
| Proceeds from sale of investment securities | - | 10 |
| Proceeds from collection of short-term loans | - | 1,054 |
| Payments for short-term loans to affiliates | (50,000) | (20,000) |
| Proceeds from long-term loans receivable | 1,084 | 1,140 |
| Others | (67,994) | (15,988) |
| Cash flow from investing activities | (397,446) | (295,185) |

| | (Thousands of yen) | |
|--|---|---|
| | First six-month period of previous fiscal year (May 1, 2024 To October 31, 2024) | First six-month period of fiscal year under review (May 1, 2025 To October 31, 2025) |
| Cash flow from financing activities | | |
| Net increase in short-term borrowings (△decrease) | 1,900,000 | 1,300,000 |
| Repayment of long-term loans payable | (105,060) | - |
| Repayments of lease obligations | (76,014) | (93,069) |
| Proceeds from issuance of common stock | 9,200 | 36,455 |
| Proceeds from payment of subscription margin for new shares | - | 345,000 |
| Cash dividends paid | (358,443) | (358,914) |
| Payment of syndicated loan fees | - | (790) |
| Expenditure on listing-related expenses | - | (4,783) |
| Cash flow from financing activities | 1,369,681 | 1,223,897 |
| Effect of exchange rate change on cash and cash equivalents | (27,730) | 51,955 |
| Net increase in cash and cash equivalents (△decrease) | (110,112) | 323,123 |
| Cash and cash equivalents at beginning of term | 4,021,675 | 4,993,572 |
| Cash and cash equivalents, end of the period | 3,911,563 | 5,316,695 |

(4) Notes to Interim Consolidated Financial Statements

(Notes on the Going Concern Assumption)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Segment information, etc.)

[Segment Information]

I Previous Interim Consolidated Accounting Period (May 1, 2024 to October 31, 2024)

1. Information on net sales and profits or losses by reportable segment and revenue decomposition information

(Thousands of yen)

| | Reportable Segments | | | Adjusted amount (NOTE)1 | Interim consolidated amount recorded in the income statement (NOTE)2 |
|-------------------------------------|---------------------|-----------|------------|----------------------------|---|
| | Commerce | Platform | Total | | |
| Net sales | | | | | |
| Revenue of contracts with customers | 8,874,964 | 1,802,548 | 10,677,513 | - | 10,677,513 |
| Sales to customers | 8,874,964 | 1,802,548 | 10,677,513 | - | 10,677,513 |
| Inter-segment sales or reclasses | - | 7,809 | 7,809 | (7,809) | - |
| Total | 8,874,964 | 1,810,357 | 10,685,322 | (7,809) | 10,677,513 |
| Segment profit | 834,894 | 950,092 | 1,784,987 | (763,834) | 1,021,152 |

(NOTE)1. The adjusted amount of segment profit, (JPY763,834 thousand) is mainly corporate expenses that are not allocated to each reportable segment and is mainly general and administrative expenses.

(NOTE)2. Segment income is consistent with operating income in the interim consolidated statements of income.

2. Information on impairment loss on noncurrent assets and goodwill by reportable segment

Not applicable.

II Current Interim Consolidated Accounting Period (May 1, 2025, to October 31, 2025)

1. Information on net sales and profits or losses by reportable segment and revenue decomposition information

(Thousands of yen)

| | Reportable segments | | | Adjusted amount (NOTE)1 | Interim consolidated amount recorded in the income statement (NOTE)2 |
|---|---------------------|-----------|------------|----------------------------|---|
| | Commerce | Platform | Total | | |
| Net sales | | | | | |
| Arise from contracts with customers revenue | 9,254,158 | 1,978,471 | 11,232,629 | - | 11,232,629 |
| Sales to customers | 9,254,158 | 1,978,471 | 11,232,629 | - | 11,232,629 |
| Inter-segment sales or reclasses | - | 9,507 | 9,507 | (9,507) | - |
| Total | 9,254,158 | 1,987,978 | 11,242,137 | (9,507) | 11,232,629 |
| Segment profit | 549,906 | 1,013,634 | 1,563,541 | (858,215) | 705,326 |

(NOTE)1. The adjusted amount of segment profit, (JPY858,215 thousand) is mainly corporate expenses that are not allocated to each reportable segment and is mainly general and administrative expenses.

(NOTE)2. Segment income is consistent with operating income in the quarterly consolidated statements of income.

2. Information on impairment loss on noncurrent assets and goodwill by reportable segment

Not applicable.

(Significant subsequent events)

(Changes in subsidiaries due to dividends in kind)

On November 1, 2025, we distributed all the shares held by us in our consolidated subsidiary, NE Inc., to our stockholders through dividends in kind (dividends from property other than money).

As a result, NE Inc. is no longer included in our scope of consolidation.