FY03/2025

FINANCIAL RESULTS BRIEFING PRESENTATION

May 15, 2025

Dream Incubator Inc. (stock code: 4310)

Note : 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.

SUMMARY

Business Producing continued to expand, entering the next phase of growth

FY03/2025 results:
Sales: JPY6.18bn; operating profit: JPY0.25bn; net income: JPY0.17bn

- Business Producing
  - Sales: JPY5.45bn (+8% YoY); operating loss: JPY0.03bn
    - Orders accumulated for 2H and beyond, resulting in 2H operating profit of JPY0.48bn
- Incubation (Venture Capital)
  - Sales: JPY0.72bn ; operating profit: JPY0.28bn
    - Recorded capital gains mainly from divestments of three companies*

Future aims based on the medium-term management plan (FY03/2023–FY03/2025)

- Business Producing
  - Expanded business scale, tripling headcount over the past three years. Aim to generate earnings commensurate with that growth.
  - Over the next five years, aim to double sales (CAGR of 15% or higher) and achieve an OPM of 15% or more, supported by sustained growth with a balanced focus on scale and profitability
- Incubation
  - Reduced book value of investments from JPY7.9bn to JPY2.2bn over three years (net gain of JPY18.5bn)
  - Continue appropriate monetization efforts

Shareholder returns

- Executed shareholder returns totaling JPY10.0bn over the three years of the medium-term management plan
- Will continue strengthening shareholder returns going forward. FY03/2026 year-end dividend (forecast): JPY1.0bn (JPY106/share).

* Excluding the sale of one company already impaired

FY03/2025 Financial Results

FY03/2026 Plan

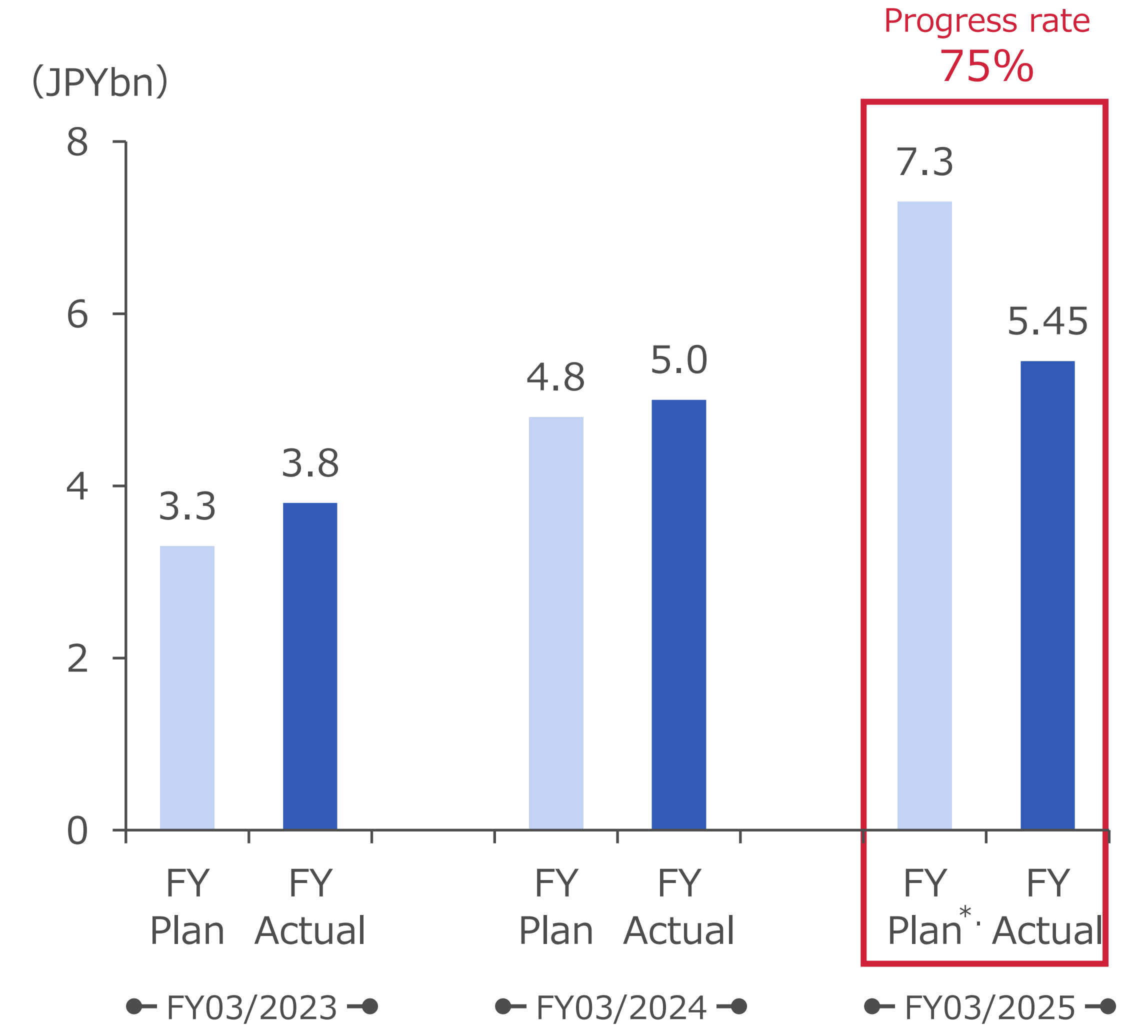
FY03/2025 CONSOLIDATED P&L

	FY03/2024 (JPYbn)	FY03/2025 (JPYbn)	YoY change (%)
Sales	5.37	6.18	+15
• Business Producing	5.03	5.45	+8
• Venture Capital	0.34	0.72	+112
Operating profit	-1.96	0.25	–
• Business Producing*	-0.02	-0.03	–
• Venture Capital*	-1.93	0.28	–
Recurring profit	-1.99	0.29	–
Net income	-1.84	0.17	–

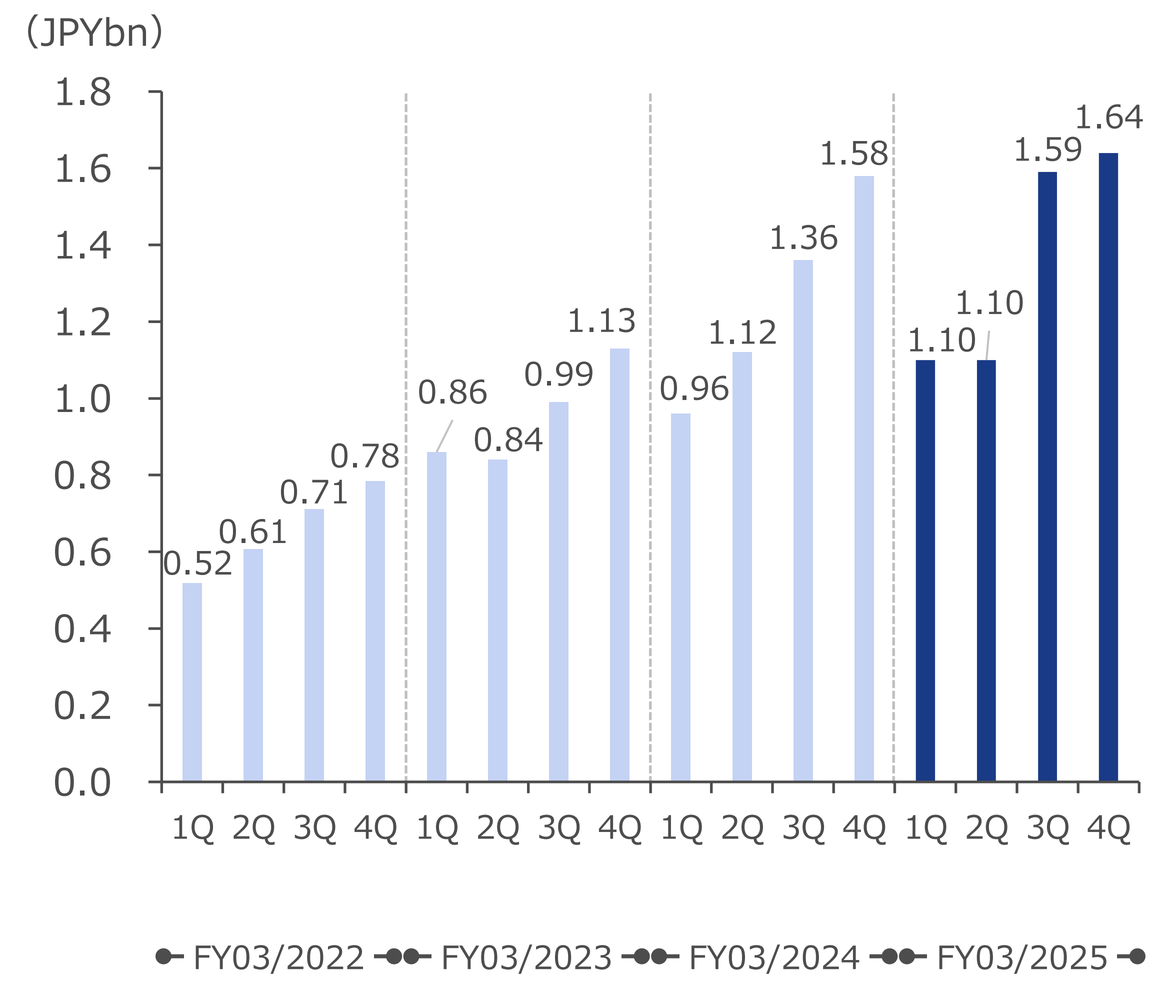
* Segment operating profit = segment profit – companywide expenses

BUSINESS PRODUCING: SALES

Sales progress vs. plan



Quarterly sales**

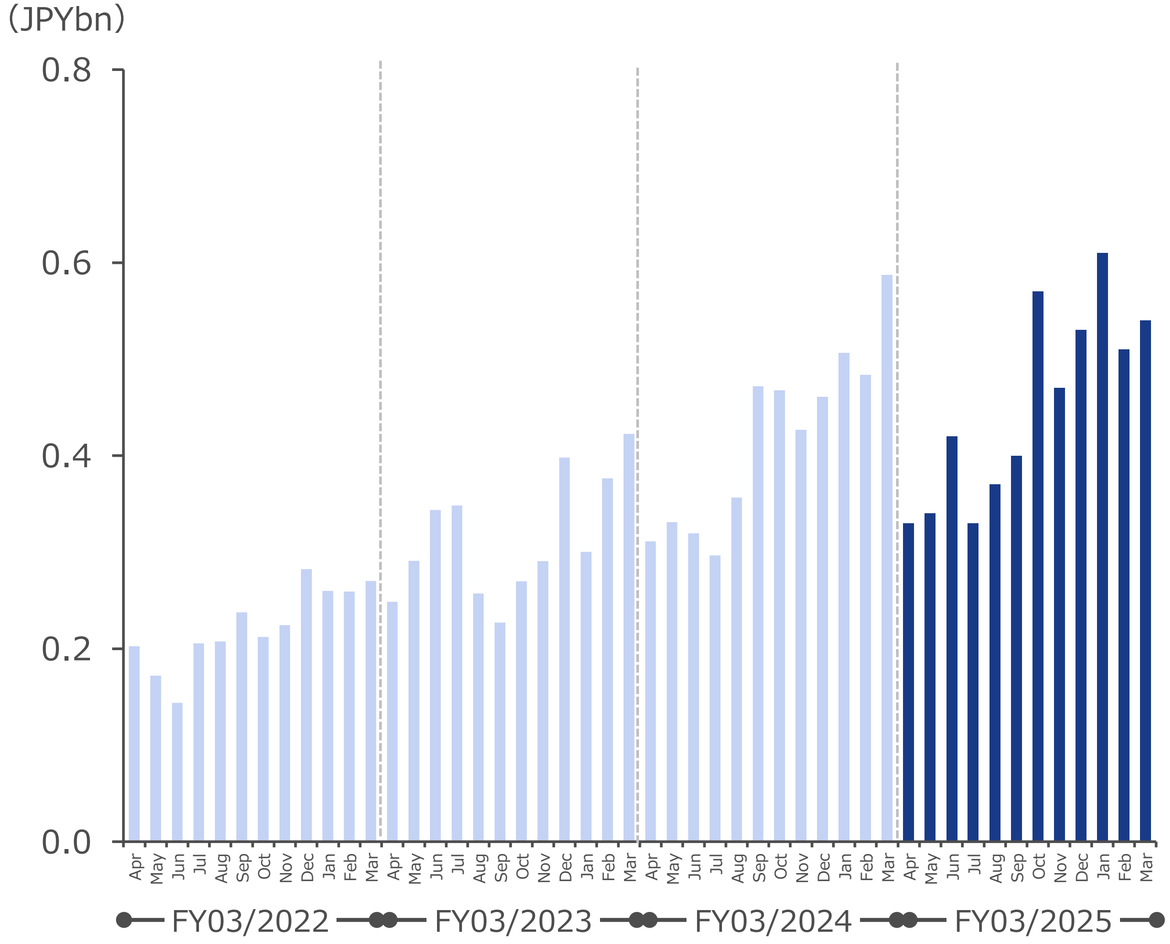


* Revised from Medium-Term Plan (May 13, 2024)
** FY03/2022 figures exclude sales of transferred businesses.

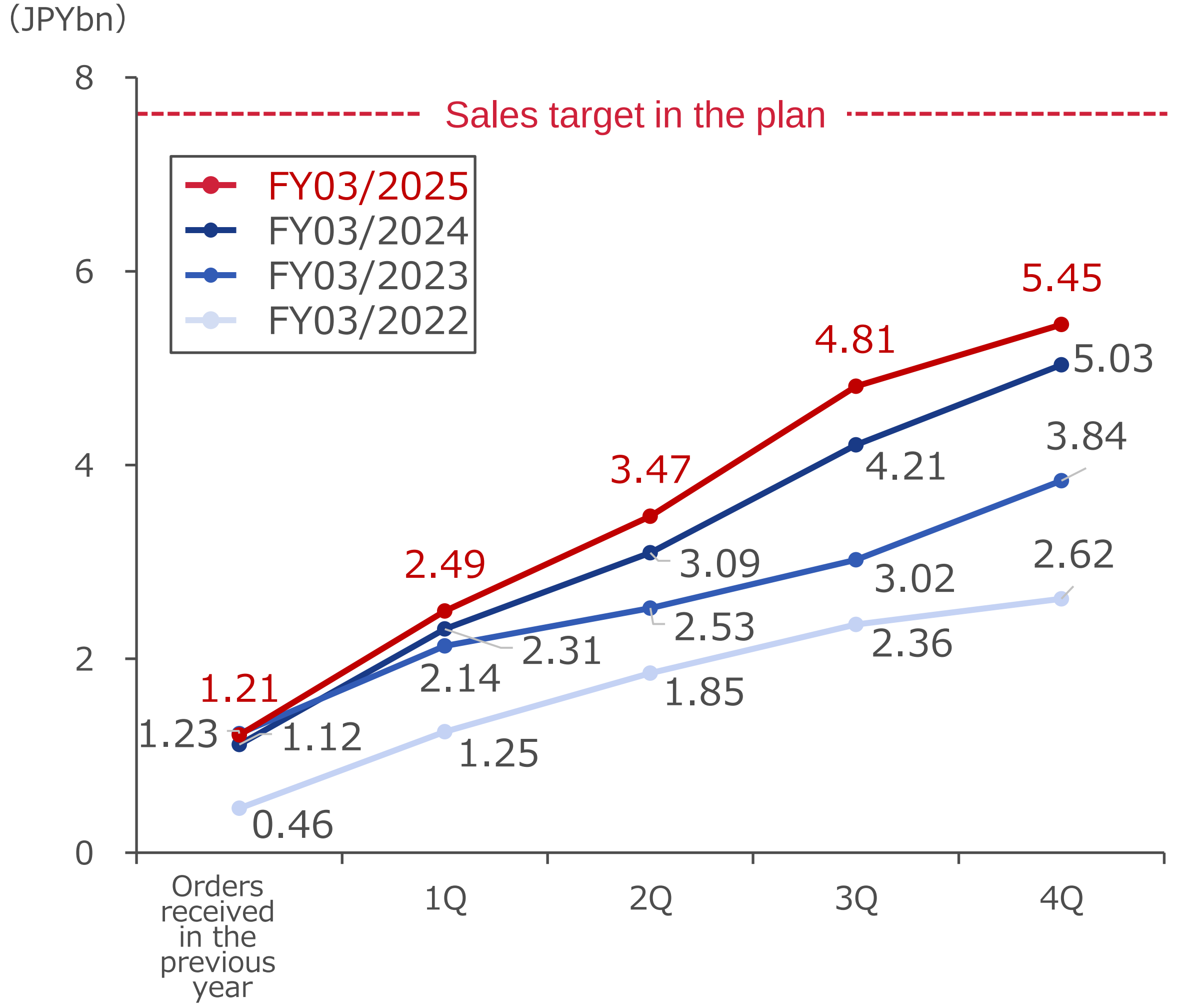
Reference

MONTHLY AND QUARTERLY SALES (CUMULATIVE)

Monthly sales



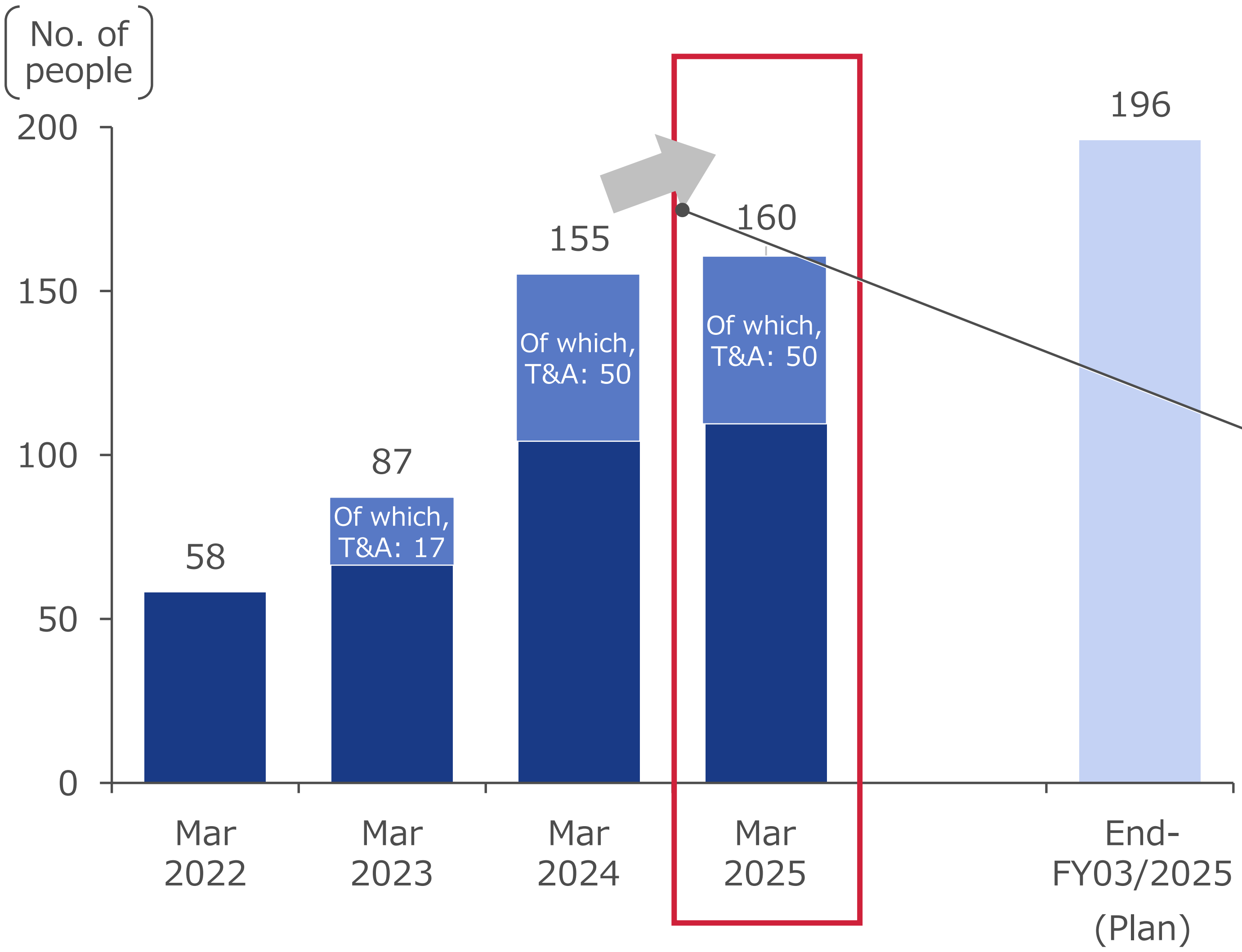
Confirmed portion of full-year sales* (at each point in time)



* Of total orders, orders for which sales are recorded in the current fiscal year. FY03/2022 figures exclude sales of transferred businesses.

NUMBER OF BUSINESS PRODUCERS

Controlled hiring pace in line with sales



Increase/decrease

	End-Mar 2024	Net increase	End-Mar 2025
BP (excl. T&A)	105	+5	111
T&A*	50	±0	50
Total	155	+5	160

* "Technology & Amplify"

FY03/2025 Financial Results

FY03/2026 Plan

TOWARD FUTURE GROWTH

The structural reforms DI has implemented over the past several years are now substantially complete

- By expanding the scale and service lineup, and strengthening collaboration, DI has secured growth capacity for Business Producing
- The legacy Incubation business has been properly brought to a close, and its value transferred to Business Producing

Meanwhile, the macro environment presents significant opportunities for DI

- The environment surrounding Japanese companies is changing dramatically, increasing the need for corporate value growth driven by new business development and revitalization of existing businesses—areas where DI's comprehensive business-producing capabilities are exceptionally well-suited
- Moreover, as strategy becomes increasingly important, the value of strategy execution also grows—creating high expectations for DI, which has developed strong implementation capabilities through its incubation experience

While carefully addressing this environment, DI will pursue continuous growth in corporate value

- Pursue growth with a balanced focus on scale and profitability
- Develop hired personnel as soon as possible, maintaining and enhancing DI's high quality standards

We hope you look forward to DI's future growth as a partner committed to providing deeper, longer-term support, beyond surface-level engagement

BUSINESS PRODUCING: GOALS FOR THE NEXT FIVE YEARS

Goals

	Performance during the Medium-Term Management Plan Period		FY03/2030 targets
Sales	Double in three years* (CAGR: 25%)	→	Double in five years (CAGR: 15%)
Operating profit margin	From negative to +8%**	→	In five years 15% or more

Initiatives to Achieve the Goals

1. Evolving the value we provide in line with the times

- Expand the scope of Business Producing from new businesses to existing businesses
  - Apply know-how gained from new business development to transform existing businesses, with a focus on delivering comprehensive client support
  - In addition to strategic planning, leverage our incubation skills and hands-on experience to drive client support, execution, and realization
  - Continue to leverage industry-level initiatives and business eco-cycle creation to build mechanisms that foster greater client growth

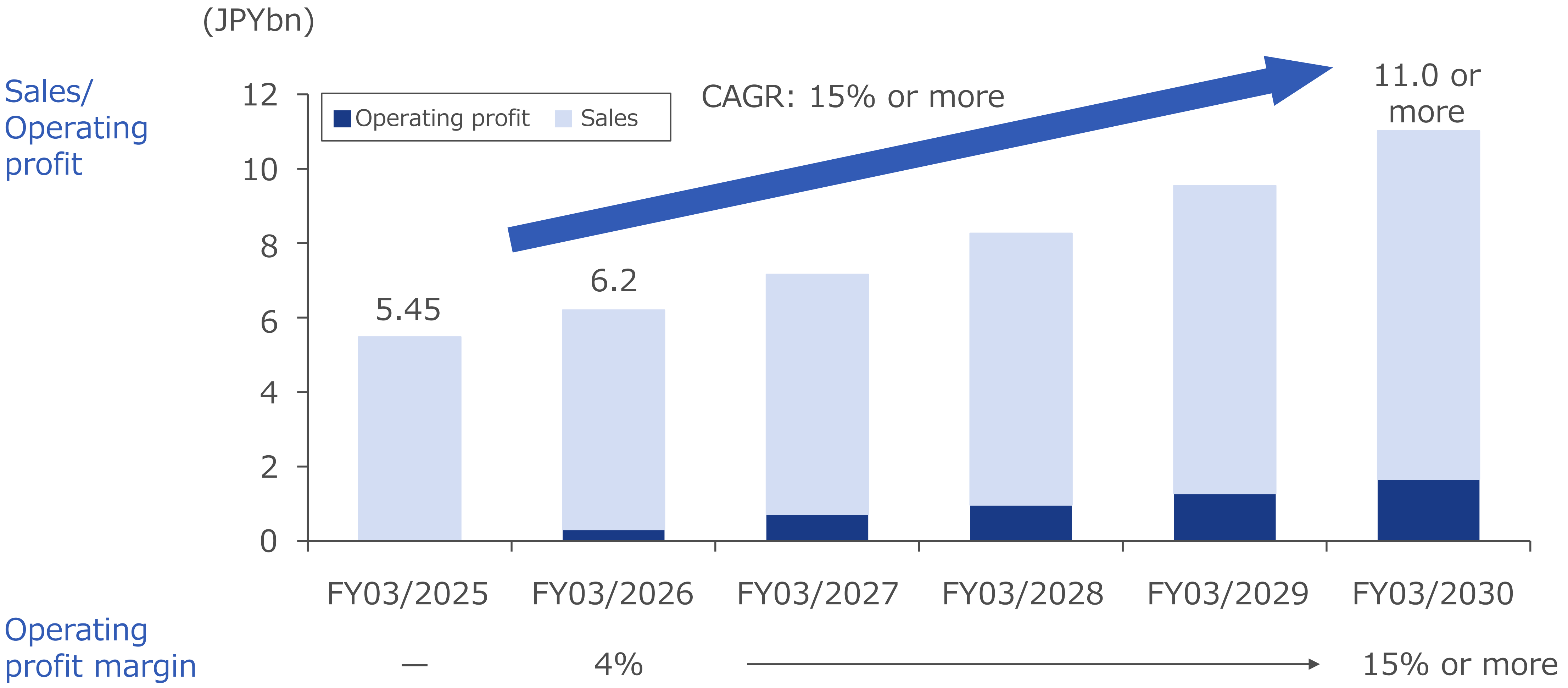
2. Developing personnel and strengthening talent development frameworks

- Enhance not only talent development frameworks, but also knowledge and infrastructure
  - Continue hiring skilled personnel, while maintaining balance with sales growth

* Sales: JPY2.8bn in FY03/2022 → JPY5.5bn in FY03/2025
** 8% in FY03/2023; negative in FY03/2024 and FY03/2025

BUSINESS PRODUCING SCALE OUTLOOK FOR NEXT FIVE YEARS

Maintaining Steady Sales Growth While Working to Realize Sustainable Profit Expansion



BALANCE SHEET MANAGEMENT AND SHAREHOLDER RETURNS FOR FY03/2026

Performance during the Medium-Term Management Plan

Strengthened shareholder returns and streamlined the balance sheet to improve capital efficiency

Future Policy

Maintain current policy

- Promote a leaner balance sheet through **continuous shareholder returns**
- While exploring growth investments including M&A, our policy for now is to flexibly set shareholder returns based on each fiscal year's conditions
  - Actively consider additional dividend payments based on excess profits

Year-end dividend forecast for FY03/2026: JPY1.0bn (JPY106/share)

We will advance this initiative alongside sustained profit growth, **targeting ROE of 15% or higher** ** **in five years**

* Figures as of March 31, 2025, excluding the year-end dividend (approx. JPY3bn)
** Assuming capital cost at 8%

SUMMARY OF FULL-YEAR FORECAST FOR FY03/2026

	Full-Year FY03/2025 Results (JPYbn)	Full-Year FY03/2026 Forecast (JPYbn)
Sales	6.18	6.2 or more
• Business Producing	5.45	6.2 or more
• Venture Capital	0.72	Not disclosed
Operating profit	0.25	0.3 or more
• Business Producing	-0.03	0.3 or more
• Venture Capital	0.28	Not disclosed
No. of business producers at end-FY	160	180
Dividend per share	JPY423	JPY106
• Ordinary dividend	—	JPY106
• Special dividend	JPY423	—

DISCLAIMER

These materials contain forward-looking statements pertaining to forecasts and future strategies, which are based on information available to the Company at the time the materials were prepared. These statements are not guarantees that targets and forecasts will be reached, nor an assurance of future operating results. Future performance may vary substantially due to changes in the operating environment, downturns in performance at investee companies, share price fluctuations in the markets for financial products, and other factors.

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Dream Incubator

The Business Producing Company