

Japaniace

Financial Results Briefing Material
for the Second Quarter of the Fiscal Year Ending November 30, 2025

Japaniace Co., Ltd. (Securities Code: 9558)

July 7, 2025

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01

Performance Highlight

We achieved year-on-year increases in both net sales and profit as we promoted training of engineers and improving sales and management systems while working to increase the number of engineers and raise unit prices.

(Millions of yen)

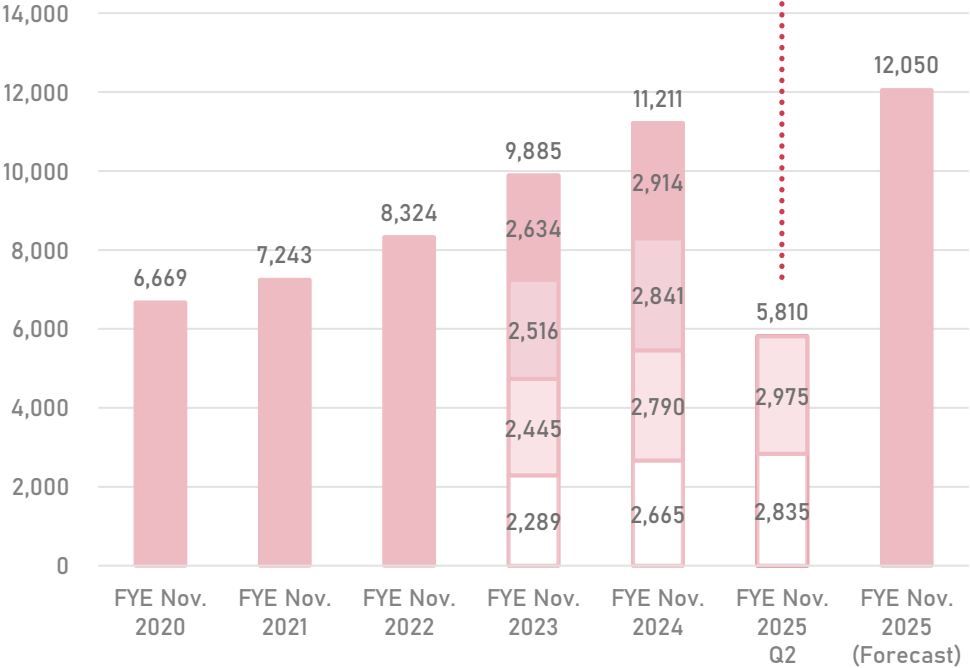
| | FYE Nov. 30, 2024 Q2 | FYE Nov. 30, 2025 Q2 | Year-on-year change | | FYE Nov. 30, 2025 Forecast | Progress |
|------------------|-------------------------|-------------------------|---------------------|--------|-------------------------------|----------|
| | | | Change | % | | % |
| Net sales | 5,455 | 5,810 | 355 | +6.5% | 12,050 | 48.2% |
| Gross profit | 1,328 | 1,455 | 126 | +9.5% | 3,170 | 45.9% |
| Operating profit | 265 | 346 | 80 | +30.5% | 1,040 | 33.3% |
| Ordinary profit | 310 | 412 | 101 | +32.7% | 1,130 | 36.5% |
| Profit | 203 | 272 | 69 | +34.0% | 800 | 34.0% |

Net sales increased 6.5% year on year, with all key management indicators exceeding the previous fiscal year's levels, and ordinary profit improved significantly, up 32.7% year on year.

Financial Highlights

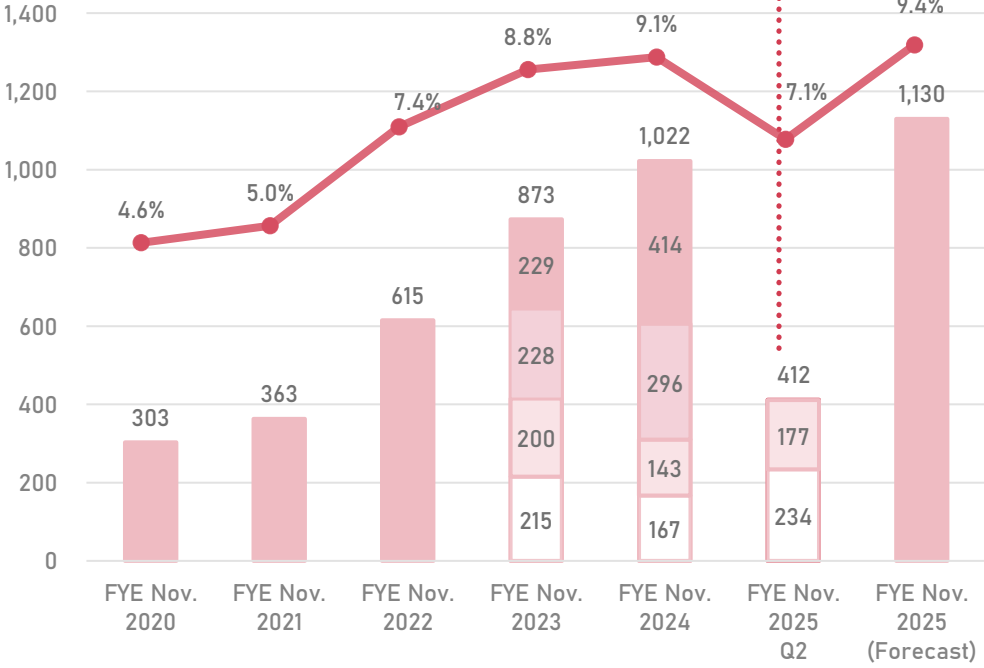
Net sales

(Millions of yen)

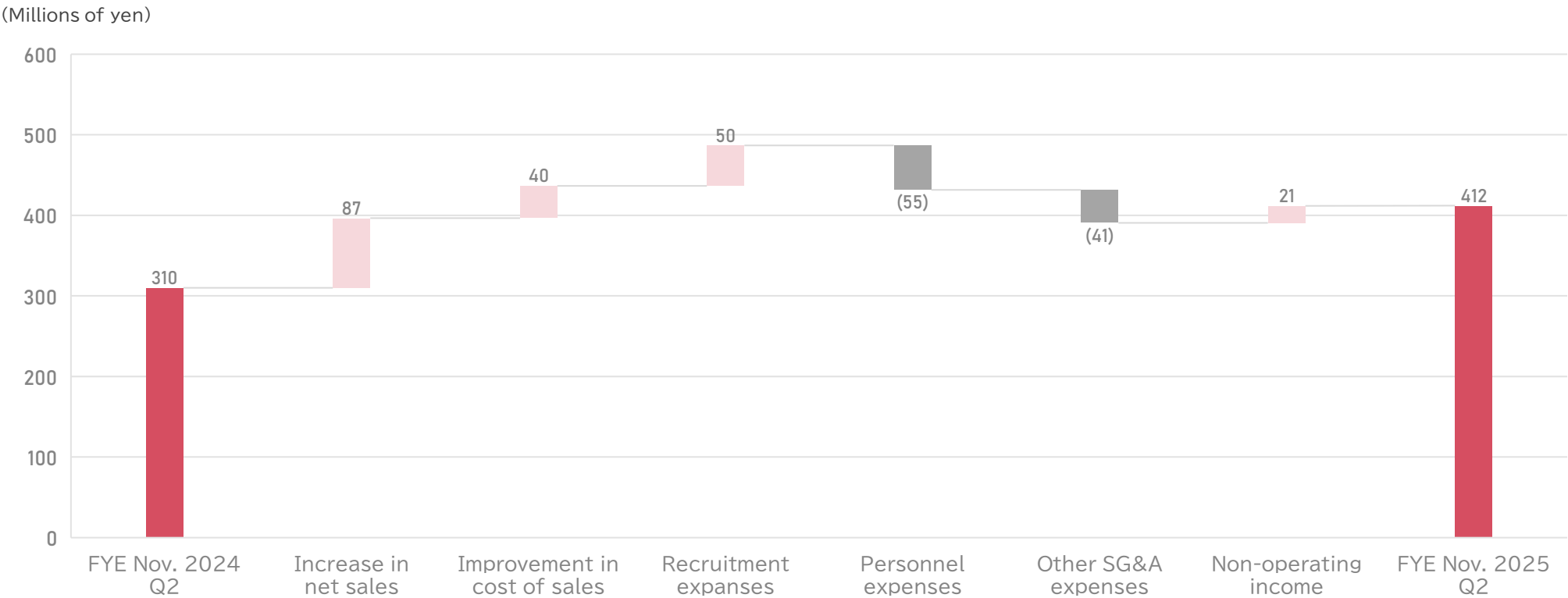


Ordinary profit

(Millions of yen)



Q2 of FYE Nov. 2025 Year-on-Year Changes in Ordinary Profit



Net sales and gross profit increased due to an increase in engineers, improved utilization ratio, and higher net sales per engineer.
Ordinary profit increased by ¥101 million, partly due to the reduction of recruitment expenses through efficient recruitment activities.

Each profit increased year on year due to an improvement in gross profit margin resulting from a shift toward orders for high-unit-price projects and a recovery in the utilization ratio.

(Millions of yen)

| | FYE Nov. 30, 2024 Q2 | FYE Nov. 30, 2025 Q2 | YoY change |
|--|-------------------------|-------------------------|------------|
| Net sales | 5,455 | 5,810 | +6.5% |
| Cost of sales | 4,126 | 4,355 | +5.5% |
| Gross profit | 1,328 | 1,455 | +9.5% |
| Gross profit (%) | 24.4% | 25.0% | |
| Selling, general and administrative expenses | 1,063 | 1,109 | +4.3% |
| Operating profit | 265 | 346 | +30.5% |
| Operating profit (%) | 4.9% | 6.0% | |
| Non-operating income | 45 | 67 | +47.8% |
| Non-operating expenses | - | 1 | - |
| Ordinary profit | 310 | 412 | +32.7% |
| Ordinary profit (%) | 5.7% | 7.1% | |
| Extraordinary income | - | - | |
| Extraordinary losses | - | - | |
| Profit before income taxes | 310 | 412 | +32.7% |
| Income taxes | 107 | 140 | +30.2% |
| Profit | 203 | 272 | +34.0% |
| Profit (%) | 3.7% | 4.7% | |

Current assets increased due to growth in net sales. In addition, we have recognized borrowings as working capital and will accelerate initiatives for M&A and capital and business alliances.

(Millions of yen)

| | FYE Nov. 30, 2024 Q4 | FYE Nov. 30, 2025 Q2 |
|---|-------------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 2,999 | 3,589 |
| Accounts receivable and contract assets | 1,519 | 1,347 |
| Total current assets | 4,567 | 4,985 |
| Non-current assets | | |
| Property, plant and equipment | 56 | 67 |
| Intangible assets | 15 | 13 |
| Investments and other assets | 309 | 331 |
| Total non-current assets | 381 | 411 |
| Total assets | 4,949 | 5,397 |

| | FYE Nov. 30, 2024 Q4 | FYE Nov. 30, 2025 Q2 |
|----------------------------------|-------------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Short-term borrowings | - | 300 |
| Accrued expenses | 851 | 934 |
| Total current liabilities | 1,740 | 2,104 |
| Non-current liabilities | | |
| Total non-current liabilities | 212 | 212 |
| Total liabilities | 1,952 | 2,316 |
| Net assets | | |
| Shareholders' equity | | |
| Common stock | 22 | 23 |
| Retained earnings | 2,988 | 3,071 |
| Treasury stock | (101) | (101) |
| Total shareholders' equity | 2,996 | 3,080 |
| Total net assets | 2,996 | 3,080 |
| Total liabilities and net assets | 4,949 | 5,397 |

The number of engineers increased by 57 year on year on average, driven by continued recruitment of engineers and new graduates, as well as the utilization of business partners.

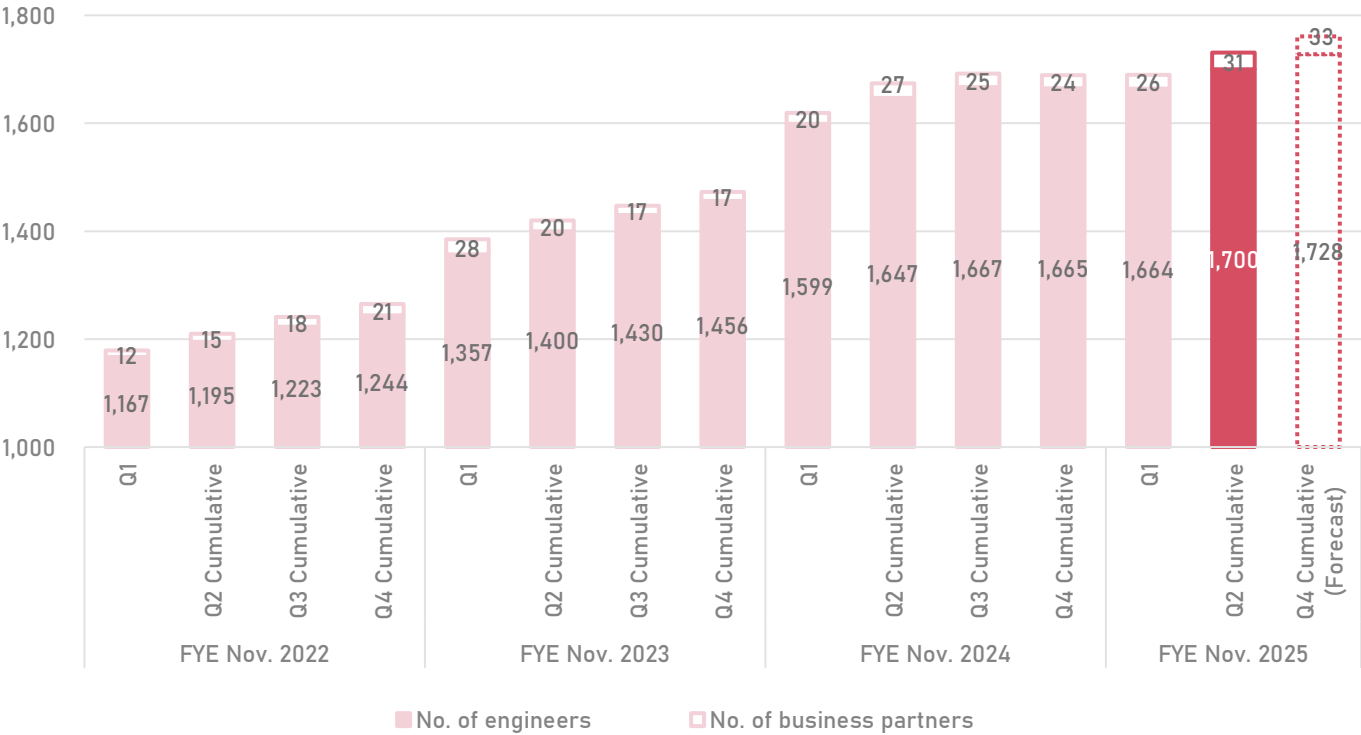


Number of engineers

Topics

40 new graduates joined the Company in April 2025 and will start work in June after training.

(Unit: persons)



* Number of engineers: Average number of engineers and business partners enrolled during the period
* Number of engineers includes temporary employees.
* Figures shown are averages for the period.

(Reference) Number of engineers as of the end of the period
(Unit: persons)

| | Q1 | Q2 | Q3 | Q4 |
|-------------------|-------|-------|-------|-------|
| FYE Nov. 30, 2024 | 1,624 | 1,731 | 1,695 | 1,651 |
| FYE Nov. 30, 2025 | 1,678 | 1,772 | | |

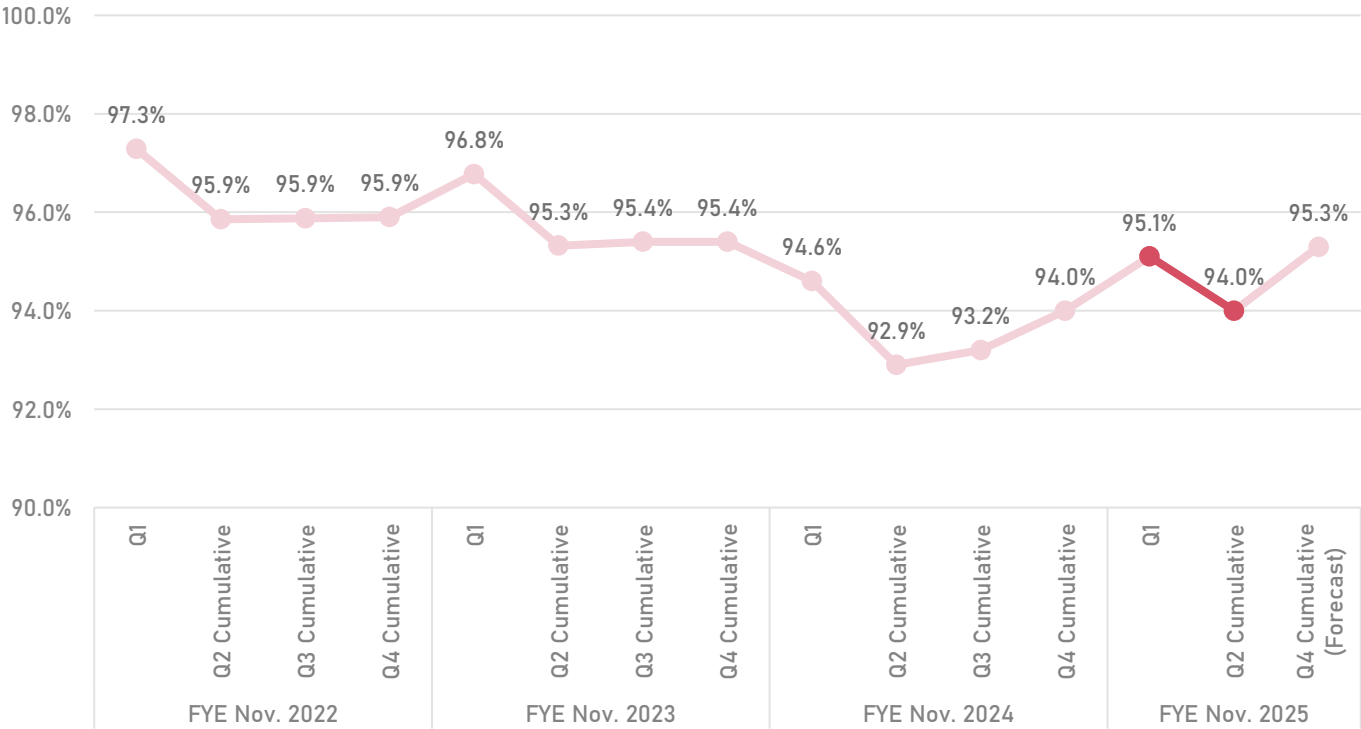
The utilization ratio improved by 1.1% year on year in the first half of the fiscal year due to detailed sales activities for each customer aimed at shortening the waiting period.



Utilization ratio

Topics

Although the number of trainees temporarily increased due to the entry of new graduates, the utilization ratio is expected to rise as they quickly become operational after training.



* Utilization ratio: (Total No. of assigned engineers + business partners each month) / (Total No. of engineers + business partners each month) x 100
* Number of assigned engineers includes temporary employees.
* Figures shown are averages for the period.

(Reference) Utilization ratio for each quarter

| | Q1 | Q2 | Q3 | Q4 |
|-------------------|-------|-------|-------|-------|
| FYE Nov. 30, 2024 | 94.6% | 91.4% | 93.6% | 96.4% |
| FYE Nov. 30, 2025 | 95.1% | 93.0% | | |

Net sales per engineer increased by ¥9 thousand per month year on year in the first half due to the effect of price revisions.

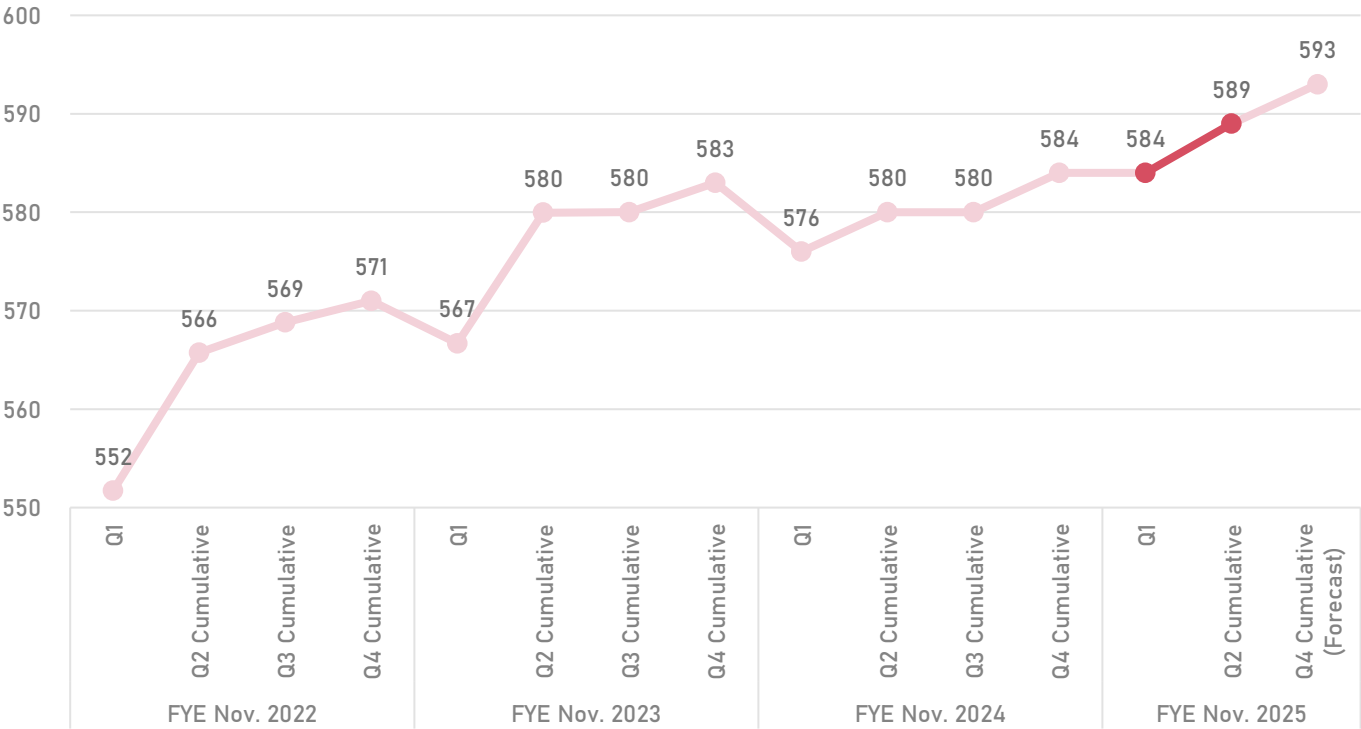


Net sales per engineer

Topics

In addition to the shift toward orders from clients with high unit prices, we achieved unit price increases for engineers whose prices had not been revised in the previous fiscal year.

(Unit: Thousands of yen / month)



* Net sales per engineer: Net sales for the cumulative period / (Total No. of assigned engineers + business partners each month)
* Figures shown are averages for the period.

(Reference) Net sales per engineer for each quarter
(Unit: Thousands of yen / month)

| | Q1 | Q2 | Q3 | Q4 |
|-------------------|-----|-----|-----|-----|
| FYE Nov. 30, 2024 | 576 | 583 | 580 | 596 |
| FYE Nov. 30, 2025 | 584 | 593 | | |

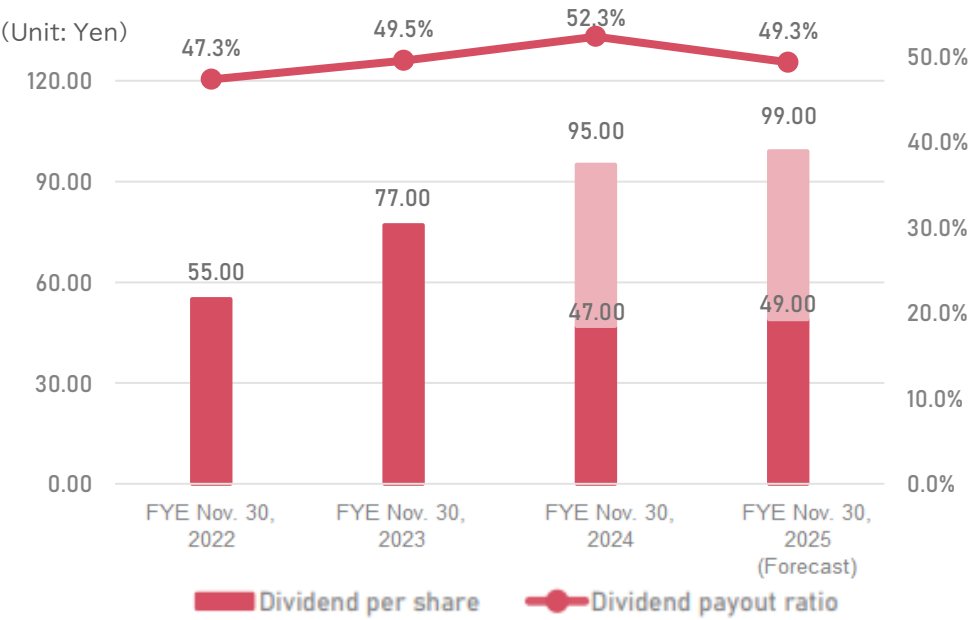
Forecasts remain unchanged since various measures are proceeding as planned and the effects of increases in unit prices and regional expansion in Sapporo and other areas are steadily emerging.

(Millions of yen)

| | FYE Nov. 30, 2024 | FYE Nov. 30, 2025 (Forecast) | Year-on-year change | |
|------------------|-------------------|---------------------------------|---------------------|-------|
| | | | Change | % |
| Net sales | 11,211 | 12,050 | 839 | 7.5% |
| Gross profit | 2,898 | 3,170 | 272 | 9.3% |
| Operating profit | 945 | 1,040 | 95 | 9.9% |
| Ordinary profit | 1,022 | 1,130 | 108 | 10.5% |
| Profit | 722 | 800 | 78 | 10.7% |

An interim dividend of ¥49 per share was paid as planned. For the full fiscal year, the Company plans to maintain its dividend payout ratio of 50% and continue to increase dividends.

Dividends and Payout Ratio



(Unit: Yen)

| | FYE Nov. 30, 2022 | FYE Nov. 30, 2023 | FYE Nov. 30, 2024 | FYE Nov. 30, 2025 (Forecast) |
|--------------------------|-------------------|-------------------|-------------------|------------------------------|
| Basic earnings per share | 116.28 | 155.52 | 181.51 | 200.81 |
| Dividend per share | 55.00 | 77.00 | 95.00 | 99.00 |
| Dividend payout ratio | 47.3% | 49.5% | 52.3% | 49.3% |

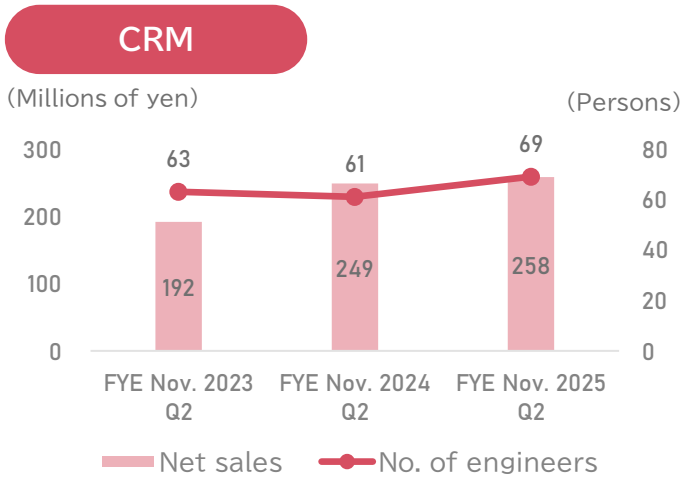
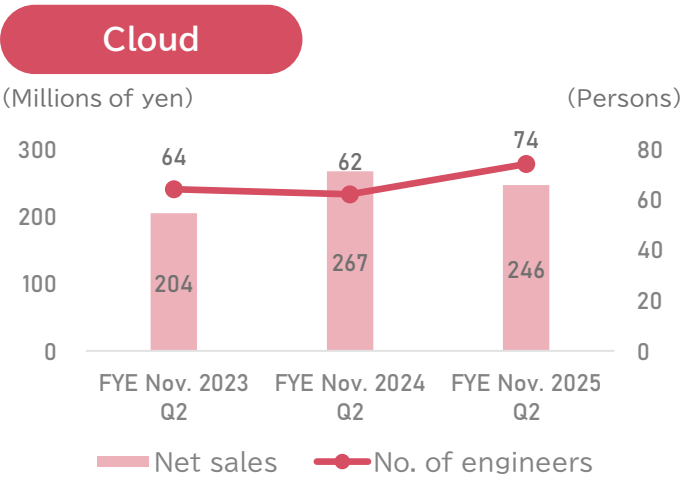
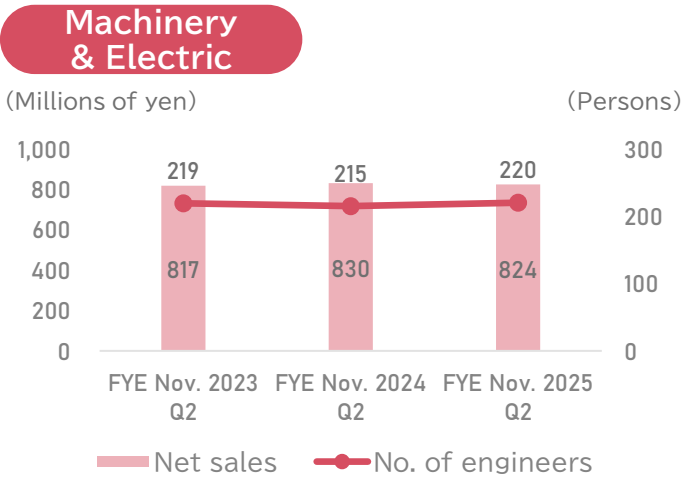
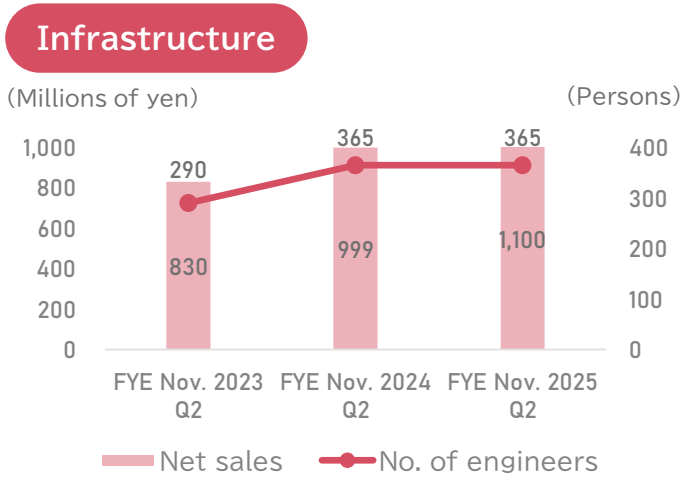
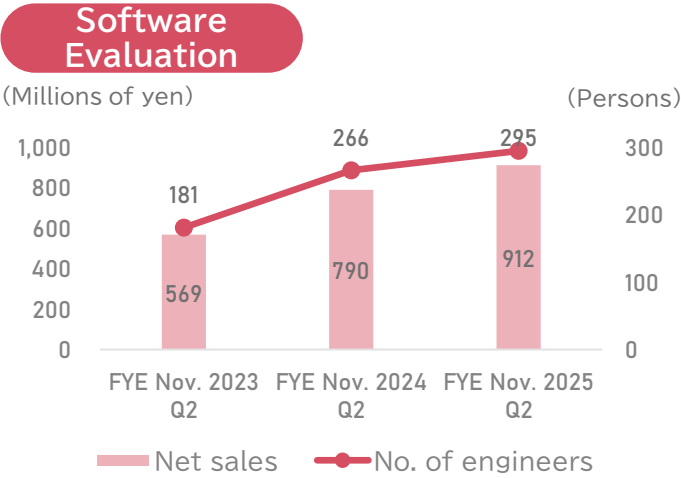
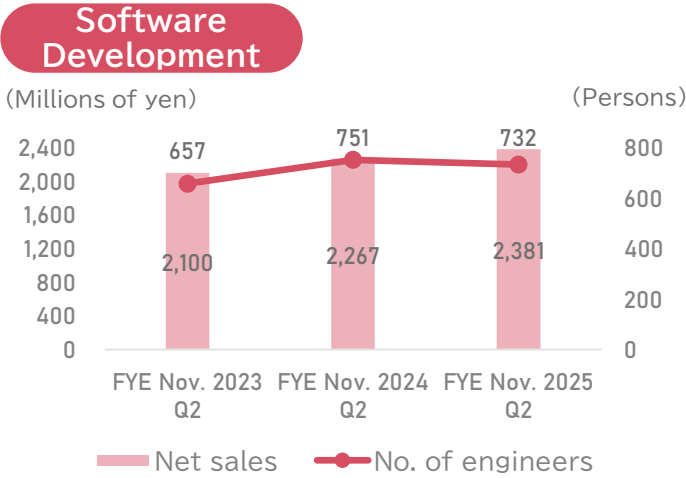
02

Progress of Medium-Term Management Plan

Major initiatives in the basic strategies for Q2 of the fiscal year ending November 30, 2025

| | |
|------------------------|--|
| Business Strategy | <div data-bbox="338 379 479 515"></div> <div data-bbox="593 344 1166 386"><u>Unit price improvement</u></div> <div data-bbox="1210 339 2153 408">Already completed approximately 90% of the annual plan on shifting to clients with high unit prices.</div> <div data-bbox="593 479 1166 522"><u>Utilization of business partners</u></div> <div data-bbox="1210 482 2015 518">Promoted the acquisition of new business partners.</div> |
| Human Capital Strategy | <div data-bbox="338 729 479 865"></div> <div data-bbox="825 686 1166 729"><u>Training engineers</u></div> <div data-bbox="1210 689 2135 725">Provided opportunities for engineers to improve their skills.</div> <div data-bbox="621 815 1166 858"><u>Human resource development</u></div> <div data-bbox="1210 803 2313 872">Analyzed employee satisfaction survey results using Generative AI and implemented training measures (in progress). * Please refer to P.18.</div> |
| Financial Strategy | <div data-bbox="338 1053 479 1189"></div> <div data-bbox="593 1018 1166 1100"><u>Hiring engineers for the foundation of the Company</u></div> <div data-bbox="1210 1036 2288 1072">Actively invested in recruitment expenses to hire talented engineers.</div> <div data-bbox="637 1143 1166 1229"><u>Capital investment for wide-area business activities</u></div> <div data-bbox="1210 1150 2300 1219">Opened Sapporo Office and relocated (expanded) Kansai 1st and 2nd Offices. * Please refer to P.17.</div> |

IT field has become more structured, and net sales and headcount have expanded.
Machinery & Electric field has struggled to recruit engineers and net sales remained flat.



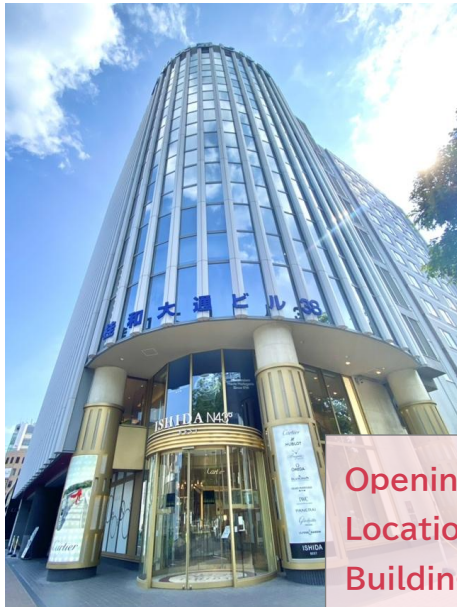
We opened a new office and relocated existing offices as capital investment for further growth.

Acceleration of
nationwide expansion

Opening and relocation (expansion) of offices

Opening of Sapporo Office

- ▶ Business expansion base in the Hokkaido area



Opening : March 1, 2025

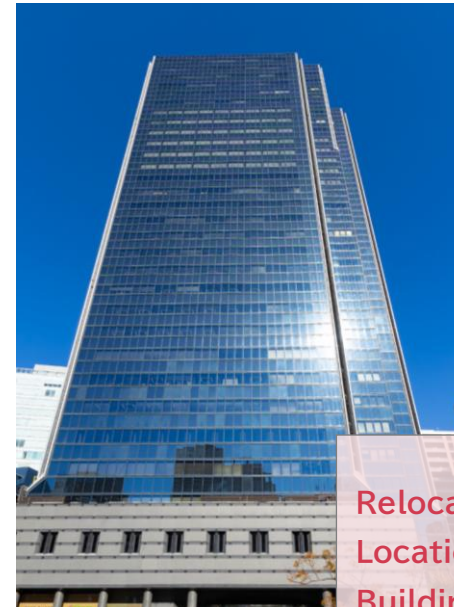
Location : Odori Nishi, Chuo-ku, Sapporo City

Building : Keiwa Odori Building 38 6F

Aiming to expand business as a nearshore base for contract development

Relocation (expansion) of Kansai 1st and 2nd Offices

- ▶ Core base for business expansion in the Kansai area



Relocation : April 1, 2025

Location : Nakazaki Nishi, Kita-ku, Osaka City

Building : Umeda Center Building 20F

Aiming to strengthen and streamline sales and recruitment activities

Accelerating initiatives to enhance the value of each employee

Internal systems that encourage self-development

System to encourage the acquisition of qualifications

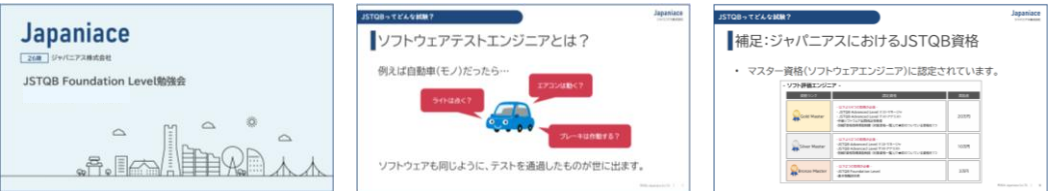
- Acquired 178 engineering qualifications during the first half.
(Doubled compared to three years ago)

| Category | Acquired | Qualifications (example) |
|----------------------------------|----------|--|
| AWS | 42 | AWS Certified Cloud Practitioner |
| Information Technology Engineers | 50 | Basic Information Engineer, Applied Information Engineer |
| Infrastructure | 29 | CCNA, LinuC Level 2 |
| Other | 57 | JSTQB Advanced Level - Test Analyst |
| Total | 178 | |

Study sessions for engineers

- Engineers themselves act as instructors and hold study sessions.

<Image>

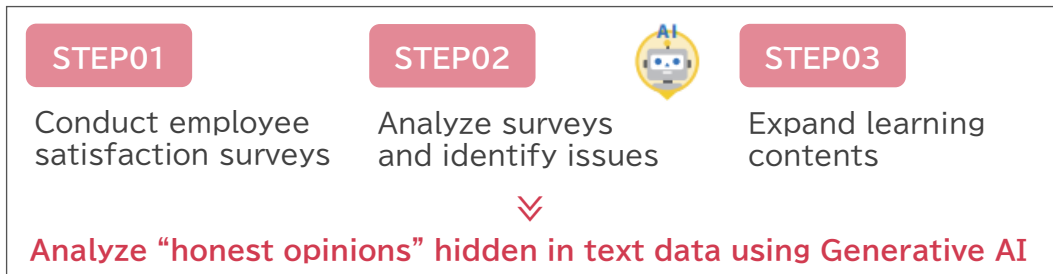


✓ Engineers voluntarily plan and hold study sessions aimed at obtaining qualifications and improving technical skills

External evaluation of the Company's HR management

Measures for personnel development utilizing Generative AI

- Analysis and implementation of measures using the talent management system “Kaonavi”



Consider measures based on the issue that satisfaction with learning opportunities is low despite high motivation to learn.

The Company's efforts were recognized by kaonavi, inc. and featured in a seminar presentation and a newsletter article.



The statements on forecasts presented in this document are based upon currently available information and assumptions deemed rational.

These statements are not guarantees of future results or performance.
Such statements contain known and unknown risks, and uncertainties.
Therefore, a variety of factors could cause actual results to differ materially from forecasts.

Factors that may affect the actual results described above include, but not limited to, changes in national and international economic conditions and business trends.

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