



## Consolidated Financial Results for the Fiscal Year Ended September 30, 2025 (Japanese GAAP)

November 13, 2025

Company name Kanamic Network Co., Ltd. Stock exchange listings: JPX Prime  
 Securities code 3939 URL <http://www.kanamic.net/>  
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 Scheduled date for the Meeting of Shareholders December 18, 2025 Scheduled dividend payment start date December 19, 2025  
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 Supplemental material of results: Yes  
 Convening briefing of results: Yes (For securities analysts and institutional investors)

(Yen amounts are rounded down to millions)

### 1. Consolidated financial results for the fiscal year ended September 2025 (from October 1, 2024 to September 30, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		EBITDA※		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	5,500	9.9	2,024	12.8	1,606	11.6	1,612	11.4	1,111	20.8
September 30, 2024	5,007	33.7	1,795	29.6	1,439	31.3	1,447	30.8	919	20.6

(Note) Comprehensive income Fiscal year ended September 30, 2025 1,122 Millions of yen (21.9%) Fiscal year ended September 30, 2024 920 Millions of yen (20.7%)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating profit margin
Fiscal year ended	Yen	Yen	%	%	%
September 30, 2025	23.42	—	26.2	25.4	29.2
September 30, 2024	19.38	—	26.2	24.5	28.7

(Reference) Equity in earnings of affiliates Fiscal year ended September 30, 2025 — Millions of yen Fiscal year ended September 30, 2024 — Millions of yen

※ EBITDA = Operating profit + depreciation (tangible and intangible fixed assets) + amortization of goodwill

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
Fiscal year ended	Millions of yen	Millions of yen	%	Yen
September 30, 2025	6,542	4,649	71.1	97.97
September 30, 2024	6,175	3,834	62.1	80.81

(Reference) Equity capital Fiscal year ended September 30, 2025 4,649 Millions of yen Fiscal year ended September 30, 2024 3,834 Millions of yen

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
September 30, 2025	1,292	△743	△651	3,327
September 30, 2024	1,514	△343	△613	3,430

### 2. Cash dividends

	Annual Dividend					Total Dividends (Total)	Dividend Payout Ratio (Consolidated)	Dividend on Net Assets (Consolidated)
	End of Q1	End of Q2	End of Q3	End of year	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
September 30, 2025	—	0.00	—	6.50	6.50	308	33.5	8.8
September 30, 2024	—	0.00	—	7.50	7.50	355	32.0	8.4
September 30, 2026 (forecast)	—	0.00	—	9.00	9.00		31.2	

(Note) Revisions to the most recently announced dividend forecast: No

3. Consolidated financial forecast for the fiscal year ending September 2026 (October 1, 2025 - September 30, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA※		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Q2 (cumulative))	3,150	18.4	1,120	16.1	900	17.7	900	17.7	600	15.7	12.64
End of year	6,350	15.4	2,500	23.5	2,050	27.6	2,050	27.1	1,370	23.3	28.87

※EBITDA=Operating profit + depreciation (tangible and intangible fixed assets)+ amortization of goodwill

\*Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Company name) THE WORLD MANAGEMENT PTE LTD

(2) Changes in accounting policies, changes in accounting estimates, and restatements

- ① Changes in accounting policies due to revisions to accounting standards, etc.: Yes
- ② Changes in accounting policies other than ①: No
- ③ Changes in accounting estimates: No
- ④ Restatement: No

(3) Number of issued shares (common stock)

- ① Number of issued and outstanding shares at the period end (including treasury stock)
- ② Number of treasury stock at the end of the period
- ③ Average number of shares during the period

Fiscal year ended September 30, 2025	48,132,000 <sup>sha</sup> res	Fiscal year ended September 30, 2024	48,132,000 <sup>sha</sup> res
Fiscal year ended September 30, 2025	674,706 <sup>sha</sup> res	Fiscal year ended September 30, 2024	674,706 <sup>sha</sup> res
Fiscal year ended September 30, 2025	47,457,294 <sup>sha</sup> res	Fiscal year ended September 30, 2024	47,462,681 <sup>sha</sup> res

(Reference) Summary of individual performance

1. Non-consolidated results for the fiscal year ended September 2025 (October 1, 2024 to September 30, 2025)

(1) Individual operating results

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA※		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	3,592	6.6	1,753	9.7	1,495	9.3	1,528	9.7	1,065	7.3
September 30, 2024	3,370	18.3	1,599	13.8	1,368	15.5	1,393	15.9	992	17.1

	Net income per share	Diluted net income per share
Fiscal year ended	Yen	Yen
September 30, 2025	22.45	—
September 30, 2024	20.91	—

※EBITDA=Operating profit + depreciation (tangible and intangible fixed assets)+ amortization of goodwill

(2) Individual financial position

	Total assets	Net assets	Equity ratio	Net assets per share
Fiscal year ended	Millions of yen	Millions of yen	%	Yen
September 30, 2025	5,986	4,732	79.1	99.73
September 30, 2024	5,757	3,975	69.0	83.78

(Reference) Equity capital Fiscal year ended September 30, 2025 4,732<sup>Millions of yen</sup> Fiscal year ended September 30, 2024 3,975<sup>Millions of yen</sup>

2. Non-consolidated earnings forecast for the fiscal year ending September 2026 (October 1, 2025 - September 30, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Q2 (cumulative))	2,050	14.8	850	13.4	600	15.7	12.64
End of year	4,050	12.7	1,900	24.3	1,300	22.0	27.39

※ Financial statements are not subject to audit by certified public accountants or auditing firms.

※ Explanation of the appropriate use of earnings forecasts and other special notes

The performance forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended to guarantee that they will be achieved. Actual performance may differ significantly due to a variety of factors. Please see "1. Overview of Business Results, etc. (4) Future Outlook" on page 4 of the attached document for information on the conditions underlying the performance forecasts and precautions for using the forecasts.

(Access to supplementary financial results explanations and financial results briefings)

The Company plans to hold a briefing for securities analysts and institutional investors on Tuesday, November 18, 2025. The materials to be used at the briefing will be posted on the Company's website promptly after the event.

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## 1. Overview of business performance, etc.

### (1) Overview of business results for the current fiscal year

During the current consolidated fiscal year, the Japanese economy is experiencing a gradual recovery, although the impact of US trade policies and other factors is felt primarily in the automotive industry.

In the environment surrounding our group, with the arrival of a super-aging society, nursing care costs, the number of nursing care insurance service users and the number of service providers are increasing, and the nursing care industry as a whole is continuing to rise. The revision of the nursing care insurance system in fiscal 2024 calls for greater collaboration between medical care and nursing care and greater efficiency in the nursing care industry, such as further deepening and promoting the community-based comprehensive care system that connects medical care and nursing care, scientific nursing care that utilizes LIFE, and supporting independence and preventing the condition from worsening through integrated efforts such as rehabilitation, functional training, oral health, and nutrition. At the same time, the revision also calls for the sustainability of the nursing care industry, such as improving the treatment of nursing care staff and creating a comfortable working environment through increased productivity (additional charges related to medical DX and nursing care DX).

In this situation, our group provides a system that realizes comprehensive community care that connects medical care and nursing care. Therefore, we are participating in joint projects with various government ministries and agencies, striving to become a systems development company that is aligned with national policy, and we are also preparing to respond to revisions to the nursing care insurance system, continually making timely system improvements, and striving to improve user convenience by reducing the burden on system users. Through a demonstration experiment under the Ministry of Internal Affairs and Communications' "IoT Service Creation Support Project," we are promoting the utilization and collaboration of various data in nursing care centered on our "Kanamic Cloud Service." Furthermore, through the "Tokyo Metropolitan Government Multi-Professional Collaboration Portal Site," we are contributing to the promotion of home care at a prefecture-wide scale, which is broader than the traditional municipal level, thereby contributing to the regional collaboration of medical care and nursing care through our medical and nursing care collaboration know-how cultivated through our "Kanamic Cloud Service." In addition to these elderly support businesses, we are contributing to the efficient operation of local government child care support programs through our "Child Care Support System" as an effort to realize comprehensive multi-generational care. Furthermore, with the aim of expanding our business in the future, we acquired all shares of THE WORLD MANAGEMENT PTE LTD, a Singapore-based IT consulting company, on November 29, 2024, making it a wholly owned subsidiary of our company. THE WORLD MANAGEMENT PTE LTD provides implementation consulting and maintenance services for back-end systems, primarily sales management, inventory management, and accounting management, to many companies in Singapore. Combining their back-end systems with our group's front-end system development capabilities will enable us to provide comprehensive IT systems to their clients and other companies in Singapore. We believe that THE WORLD MANAGEMENT PTE LTD will be a major driving force in providing even higher value-added services as a healthcare and health tech company. As part of our full-scale implementation of "Phase 4: Overseas Expansion" in our group's growth strategy, "Kanamic Vision 2030," we plan to expand into ASEAN countries from Singapore. We will continue to expand our group's business scale by identifying new M&A candidates and developing new businesses. Additionally, as part of "Phase 2: Platform Service Expansion" in the same growth strategy, we have launched "Full-scale AI-equipped Cloud Nursing Care Software (Nursing Care AI SaaS)." As a next-generation standard model equipped with an autonomous AI agent that supports all aspects of nursing care, rather than just a single AI function, we aim to address the challenges of a rapidly aging population and nursing care needs.

Furthermore, as our group's systems become more platform-based, we will analyze the information we obtain about patients and those requiring care as big data, and through the development of AI services that identify evidence needed by the national government, local governments, insurance companies, etc., we will further promote regional collaboration in the medical and nursing care fields, and we are also conducting research activities to provide solutions to patients, those requiring care, and all medical and nursing care providers.

As a result, the business results for the current consolidated fiscal year were sales of 5,500,786 thousand yen (up 493,318 thousand yen, or 9.9%, from the previous consolidated fiscal year), operating profit of 1,606,662 thousand yen (up 167,506 thousand yen, or 11.6%, from the previous consolidated fiscal year), ordinary profit of 1,612,858 thousand yen (up 164,865 thousand yen, or 11.4%, from the previous consolidated fiscal year), and net profit attributable to owners of parent of 1,111,528 thousand yen (up 191,538 thousand yen, or 20.8%, from the previous consolidated fiscal year).

The operating results by segment are as follows:

(Medical and nursing care cloud platform business)

Sales by service in this segment are as follows:

i Kanamic cloud service

This service is primarily a stock business, and as a result of continuing to acquire new customers based on the stock portion of existing customers, sales revenue was 2,997,067 thousand yen (an increase of 144,280 thousand yen, or 5.1%, compared to the previous consolidated fiscal year).

ii Platform service

This service provides a stable revenue base through website construction work at the request of major nursing care providers and the contracted production, operation, and management of websites for nursing care providers through the Public Interest Incorporated Foundation Long-Term Care Labor Stability Center. In addition, as a result of the strong performance of internet advertising services that provide nursing care-related information and human resources matching services in the nursing care industry, sales revenue was 474,066 thousand yen (an increase of 50,355 thousand yen, or 11.9%, compared to the previous consolidated fiscal year).

iii Other services

Sales for this service were 111,740 thousand yen (an increase of 23,632 thousand yen, or 26.8%, compared to the previous consolidated fiscal year) due to the acceptance of customized development contracts for major clients.

As a result, sales were 3,582,874 thousand yen (up 218,268 thousand yen, or 6.5%, from the previous consolidated fiscal year), and despite the increase in sales, cost of sales such as personnel expenses for platform services and selling, general and administrative expenses increased, resulting in segment profit of 1,499,351 thousand yen (up 130,231 thousand yen, or 9.5%, from the previous consolidated fiscal year).

(Healthy lifespan extension project)

Sales by service in this segment are as follows:

i Healthy lifespan extension service

This service involves the operation and franchise development of 24-hour fitness gyms, and the provision of services that contribute to extending healthy lifespan expectancy through these physical stores. As a result of a steady increase in the number of users at existing stores and an increase in the number of stores through new openings, sales revenue was 1,187,551 thousand yen (an increase of 56,687 thousand yen, or 5.0%, compared to the previous consolidated fiscal year).

This segment only offers the above one service, and segment profit, calculated by deducting cost of sales and selling, general and administrative expenses from sales of healthy lifespan expectancy extension services, was 156,977 thousand yen (an increase of 90,850 thousand yen, or 137.4%, compared to the previous consolidated fiscal year).

(Solution development business)

Sales by service in this segment are as follows:

i Solution service

In addition to services related to the planning and development of web services using the Ruby language, this service also provides implementation consulting and maintenance services for back-end systems such as sales management, inventory management, and accounting management for THE WORLD MANAGEMENT PTE LTD, which has been included in the scope of consolidation since the current interim consolidated fiscal period. While web service planning and development, implementation consulting, and maintenance services have been performing steadily, as a result of reviewing the allocation of engineers within our group, sales revenue was 730,360 thousand yen (an increase of 218,361 thousand yen, or 42.6%, compared to the previous consolidated fiscal year).

This segment only provides the above one service, and segment profit, calculated by subtracting cost of sales and selling, general and administrative expenses from sales of solution services, was 77,386 thousand yen (an increase of 30,598 thousand yen, or 65.4%, compared to the previous consolidated fiscal year).

(Profit Overview)

While sales increased, cost of sales also increased by 29,197 thousand yen compared to the previous fiscal year to 1,964,364 thousand yen due to the inclusion of cost of sales from THE WORLD MANAGEMENT PTE LTD, which was included in the scope of consolidation from the interim consolidated fiscal year under review. As a result, gross profit was 3,536,421 thousand yen (an increase of 464,120 thousand yen, or 15.1%, compared to the previous fiscal year). In addition, due to the inclusion of the results of THE WORLD MANAGEMENT PTE LTD, which was included in the scope of consolidation from the interim consolidated fiscal year under review, and the inclusion of the company's selling, general and administrative expenses, selling, general and administrative expenses increased by 296,614 thousand yen compared to the previous fiscal year to 1,929,759 thousand yen. As a result, operating profit was 1,606,662 thousand yen (an increase of 167,506 thousand yen, or 11.6%, compared to the previous fiscal year).

Non-operating income decreased by 3,381 thousand yen compared to the previous consolidated fiscal year to 20,336 thousand yen, and non-operating expenses decreased by 740 thousand yen compared to the previous consolidated fiscal year to 14,140 thousand yen. As a result, ordinary profit was 1,612,858 thousand yen (up 164,865 thousand yen, or 11.4%, compared to the previous consolidated fiscal year). No extraordinary profits or losses were recorded.

As a result, profit before income taxes and other adjustments was 1,612,858 thousand yen (an increase of 260,406 thousand yen, or 19.3%, compared to the previous consolidated fiscal year), total corporate taxes increased by 68,867 thousand yen compared to the previous consolidated fiscal year to 501,329 thousand yen, and profit attributable to owners of parent was 1,111,528 thousand yen (an increase of 191,538 thousand yen, or 20.8%, compared to the previous consolidated fiscal year).

## (2) Overview of financial position for the current fiscal year

### (Asset status)

Total assets at the end of the current consolidated fiscal year increased by 366,672 thousand yen compared to the previous consolidated fiscal year to 6,542,237 thousand yen. This was mainly due to an increase in software of 41,268 thousand yen due to the addition of new functions to the Kanamic Cloud Service, an increase in property, plant and equipment of 90,470 thousand yen due to the opening of new Urban Fit Co., Ltd. stores, and an increase in goodwill of 323,607 thousand yen due to the acquisition of shares in THE WORLD MANAGEMENT PTE LTD. However, there was a decrease in cash and deposits of 102,939 thousand yen due to the payment of corporate taxes and dividends, the repayment of loans, and the acquisition of shares in THE WORLD MANAGEMENT PTE LTD.

### (Liabilities status)

Liabilities at the end of the current consolidated fiscal year were 1,892,933 thousand yen, a decrease of 447,817 thousand yen compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of 274,428 thousand yen in long-term borrowings due to repayment and a decrease of 193,586 thousand yen in contract liabilities due to the fulfillment of contractual obligations.

### (Net assets)

Net assets at the end of the current consolidated fiscal year increased by 814,490 thousand yen compared to the end of the previous consolidated fiscal year to 4,649,304 thousand yen. This was mainly due to a decrease of 308,472 thousand yen in dividend payments, despite an increase of 1,111,528 thousand yen in retained earnings due to net income attributable to owners of the parent.

## (3) Overview of cash flows for the current fiscal year

Cash and cash equivalents (hereinafter referred to as "funds") for the current consolidated fiscal year amounted to 3,327,111, thousand yen at the end of the current consolidated fiscal year.

### (Cash flows from operating activities)

Funds obtained from operating activities were 1,292,904, thousand yen (1,514,066, thousand yen obtained in the previous consolidated fiscal year). The main components of income were net income before taxes of 1,612,858, thousand yen and depreciation expenses (non-cash profit and loss) of 332,256, thousand yen. The main components of expenditure were payments of corporate taxes of 452,051, thousand yen.

### (Cash flows from investing activities)

Funds used in investing activities were 743,548 thousand yen (343,844 thousand yen used in the previous consolidated fiscal year). The main breakdown of expenditures was expenditures of 355,141 thousand yen for the acquisition of THE WORLD MANAGEMENT PTE LTD, which became a consolidated subsidiary from this fiscal year, expenditures of 142,864 thousand yen for the acquisition of tangible fixed assets associated with the opening of new Urban Fit Co., Ltd. stores, and expenditures of 235,834 thousand yen for the acquisition of intangible fixed assets associated with the addition of new functions to the Kanamic Cloud Service.

### (Cash flows from financing activities)

Funds used in financing activities were 651,111, thousand yen (613,676, thousand yen used in the previous consolidated fiscal year). The main expenditures were 280,518, thousand yen for repayment of long-term loans payable and 308,472, thousand yen for dividend payments.

## (4) Future outlook

Regarding the future outlook, we will continue to target medical and nursing care providers by strengthening regional collaboration, and will increase our performance by promoting business in cooperation with the national and local governments, while also investing in system development and capital investments to increase the number of users of Kanamic Cloud services, add new functions, and introduce the service to major nursing care providers. We will also actively open brick-and-mortar stores with the aim of enhancing our data business to expand services that extend healthy lifespans.

Based on the above, the business outlook for the next fiscal year (ending September 2026) is as follows: sales of 6,350 million yen (up 15.4% from the current consolidated fiscal year), operating profit of 2,050 million yen (up 27.6% from the current consolidated fiscal year), ordinary profit of 2,050 million yen (up 27.1% from the current consolidated fiscal year), and net profit attributable to owners of parent of 1,370 million yen (up 23.3% from the current consolidated fiscal year).

(5) Basic policy on profit distribution and dividends for the current and next fiscal years

i Dividends

We consider returning profits to shareholders to be one of our most important priorities, and believe that in order to achieve long-term returns to shareholders, we need to enhance our internal reserves and proactively develop our business in anticipation of changes in the environment. We are currently in the process of growth, and we believe that strengthening our financial position and investing in business expansion by enhancing our internal reserves will lead to the greatest return of profits to shareholders. Meanwhile, with regard to our dividend policy, we will comprehensively consider both returning profits to shareholders and enhancing our internal reserves, and will respond flexibly depending on business performance and market trends. However, for the time being, our policy is to determine dividend amounts based on a dividend payout ratio of 30% or more.

Based on this policy, we plan to pay an ordinary dividend of 7.50 yen per share as a year-end dividend for the fiscal year under review. As a result, the annual dividend for the fiscal year under review will be 7.50 yen per share.

Regarding dividends for the next fiscal year, taking into account the business forecast, we plan to pay 9.00 yen per share (year-end dividend of 9.00 yen).

ii Shareholder benefits

The Company has introduced a lottery-based shareholder benefit program and a shareholder benefit program for all shareholders, with the aim of increasing the investment appeal of the Company's shares and encouraging more people to hold the Company's shares.

The details of the shareholder benefit program for this fiscal year are as follows:

Lottery-based shareholder benefit program

Shareholders eligible for the lottery	Benefits
① Shareholders who hold 100 or more shares and are listed on the shareholder register as of September 30th of each year	10 lucky winners will receive a JCB gift card worth 200,000 yen
② Shareholders who have held 100 or more shares continuously for more than one year from the most recent end-of-term shareholder register (listed with the same shareholder number three or more times consecutively in the end-of-term and interim shareholder registers)	3 lucky winners will receive a JCB gift card worth 200,000 yen.

Shareholder benefits system for all shareholders

Eligible shareholders	Benefits
All shareholders who hold 100 shares or more and are listed on the shareholder register as of September 30th of each year	You will receive a complimentary gift certificate (worth 5,940 yen (tax included)) for Urban Fit 24, a fitness gym operated by our group company, Urban Fit Co., Ltd. The gift certificate is a facility experience ticket that includes rental towels, clothing, and shoes, and can be used by two people, including one accompanying person.



## 2. Basic principles regarding the selection of accounting standards

Taking into consideration the comparability of consolidated financial statements across periods and between companies, the group's policy for the time being is to prepare consolidated financial statements in accordance with Japanese GAAP.

Regarding the application of international accounting standards, we intend to respond appropriately, taking into consideration various domestic and international circumstances.

### 3. Consolidated financial statements and major notes

#### (1) Consolidated balance sheets

(Thousands of yen)

	As of September 30, 2024	As of September 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	3,430,050	3,327,111
Accounts receivable - trade	223,727	212,489
Contract assets	25,951	2,248
Merchandise	463	763
Work in process	6,239	11,334
Supplies	499	332
Prepaid expenses	74,730	88,223
Current portion of long-term loans receivable	1,236	1,249
Other	105,144	119,125
Allowance for doubtful accounts	△8,641	△6,464
Total current assets	3,859,400	3,756,413
Non-current assets		
Property, plant and equipment		
Buildings, net	576,287	670,666
Vehicles, net	7,584	4,697
Tools, furniture and fixtures, net	303,423	248,005
Leased assets, net	17,596	73,242
Construction in progress	1,250	—
Total property, plant and equipment	906,141	996,612
Intangible assets		
Software	622,292	663,560
Goodwill	470,030	793,637
Other	76	76
Total intangible assets	1,092,399	1,457,274
Investments and other assets		
Investments in capital	500	500
Long-term loans receivable	24,798	23,549
Distressed receivables	2,212	445
Long-term prepaid expenses	6,375	4,955
Deferred tax assets	56,129	63,284
Leasehold and guarantee deposits	209,435	217,789
Insurance funds	20,384	21,858
Allowance for doubtful accounts	△2,212	△445
Total investments and other assets	317,622	331,937
Total non-current assets	2,316,164	2,785,824
Total assets	6,175,564	6,542,237

(Thousands of yen)

	As of September 30, 2024	As of September 30, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	87,490	36,400
Current portion of bonds payable	50,000	15,000
Current portion of long-term borrowings	280,518	274,428
Lease liabilities	3,742	15,039
Accounts payable - other	108,357	119,549
Accrued expenses	80,128	85,939
Income taxes payable	253,401	309,353
Accrued consumption taxes	106,997	78,263
Contract liabilities	483,674	290,087
Deposits received	19,679	23,086
Provision for bonuses	61,223	64,912
Asset retirement obligations	16,000	16,000
Other	27,545	31,934
Total current liabilities	1,578,757	1,359,996
Non-current liabilities		
Bonds payable	15,000	—
Long-term borrowings	580,437	306,009
Lease liabilities	2,318	47,201
Deferred tax liabilities	75,090	76,431
Asset retirement obligations	88,348	102,495
Other	800	800
Total non-current liabilities	761,993	532,937
Total liabilities	2,340,750	1,892,933
Net assets		
Shareholders' equity		
Share capital	192,060	192,060
Capital surplus	132,060	132,060
Retained earnings	3,906,669	4,709,726
Treasury shares	△404,938	△404,938
Total shareholders' equity	3,825,850	4,628,907
Accumulated other comprehensive income		
Foreign currency translation adjustment	8,963	20,396
Total accumulated other comprehensive income	8,963	20,396
Total net assets	3,834,813	4,649,304
Total liabilities and net assets	6,175,564	6,542,237

(2) Consolidated statements of income and consolidated statements of comprehensive income  
(Consolidated income statement)

(Thousands of yen)

	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025
Net sales	5,007,468	5,500,786
Cost of sales	1,935,167	1,964,364
Gross profit	3,072,301	3,536,421
Selling, general and administrative expenses	1,633,145	1,929,759
Operating profit	1,439,155	1,606,662
Non-operating income		
Interest income	738	4,390
Surrender value of insurance policies	6,548	—
Gain on sale of goods	4,445	2,997
Commission income	8,924	9,462
Miscellaneous income	3,061	3,485
Total non-operating income	23,717	20,336
Non-operating expenses		
Interest expenses	6,419	6,232
Foreign exchange losses	1,184	699
Loss on retirement of non-current assets	1,264	6,720
Loss on cancellation of leases	5,572	—
Miscellaneous losses	440	487
Total non-operating expenses	14,880	14,140
Ordinary profit	1,447,993	1,612,858
Extraordinary income		
Gain on sale of non-current assets	2,814	—
Gain on sale of shares of subsidiaries and associates	5,897	—
Total extraordinary income	8,712	—
Extraordinary losses		
Office relocation expenses	7,522	—
Impairment losses	96,730	—
Total extraordinary losses	104,253	—
Profit before income taxes	1,352,452	1,612,858
Income taxes - current	423,377	507,143
Income taxes - deferred	9,085	△5,814
Total income taxes	432,462	501,329
Profit	919,989	1,111,528
Profit attributable to owners of parent	919,989	1,111,528

## (Consolidated statement of comprehensive income)

(Thousands of yen)

	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025
Profit	919,989	1,111,528
Other comprehensive income		
Foreign currency translation adjustment	971	11,433
Total other comprehensive income	971	11,433
Comprehensive income	920,961	1,122,962
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	920,961	1,122,962
Comprehensive income attributable to non-controlling interests	—	—

## (3) Consolidated statement of changes in net assets

Previous consolidated fiscal year (from October 1, 2023 to September 30, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	192,060	132,060	3,247,776	△404,938	3,166,957
Changes during period					
Dividends of surplus			△261,096		△261,096
Profit attributable to owners of parent			919,989		919,989
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	658,893	—	658,893
Balance at end of period	192,060	132,060	3,906,669	△404,938	3,825,850

	Accumulated other comprehensive income		Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	7,991	7,991	3,174,949
Changes during period			
Dividends of surplus		—	△261,096
Profit attributable to owners of parent		—	919,989
Net changes in items other than shareholders' equity	971	971	971
Total changes during period	971	971	659,864
Balance at end of period	8,963	8,963	3,834,813

Current consolidated fiscal year (from October 1, 2024 to September 30, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	192,060	132,060	3,906,669	△404,938	3,825,850
Changes during period					
Dividends of surplus			△308,472		△308,472
Profit attributable to owners of parent			1,111,528		1,111,528
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	803,056	—	803,056
Balance at end of period	192,060	132,060	4,709,726	△404,938	4,628,907

	Accumulated other comprehensive income		Total net assets
	Foreign currency translation adjustment	Foreign currency translation adjustment	
Balance at beginning of period	8,963	8,963	3,834,813
Changes during period			
Dividends of surplus			△308,472
Profit attributable to owners of parent			1,111,528
Net changes in items other than shareholders' equity	11,433	11,433	11,433
Total changes during period	11,433	11,433	814,490
Balance at end of period	20,396	20,396	4,649,304

## (4) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,352,452	1,612,858
Depreciation	300,926	332,256
Impairment losses	96,730	—
Amortization of goodwill	54,966	85,108
Increase (decrease) in allowance for doubtful accounts	245	△4,149
Interest income	△738	△4,390
Interest expenses	6,419	6,232
Relocation expenses	7,522	—
Loss (gain) on sale of non-current assets	△2,814	—
Loss on retirement of non-current assets	1,264	6,720
Loss (gain) on sale of shares of subsidiaries and associates	△5,897	—
Decrease (increase) in accounts receivable - trade, and contract assets	△66,019	59,272
Decrease (increase) in inventories	△4,174	△4,928
Increase (decrease) in trade payables	36,553	△54,827
Increase (decrease) in contract liabilities	115,400	△250,595
Increase (decrease) in provision for bonuses	5,242	3,654
Other, net	1,154	△40,095
Subtotal	1,899,234	1,747,116
Interest received	467	4,126
Interest paid	△6,323	△6,286
Income taxes paid	△382,580	△452,051
Income taxes refund	3,268	—
Net cash provided by (used in) operating activities	1,514,066	1,292,904
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△131,812	△142,864
Proceeds from sale of property, plant and equipment	4,323	—
Purchase of intangible assets	△228,916	△235,834
Proceeds from sale of shares of subsidiaries and associates	9,637	—
Payments of leasehold and guarantee deposits	△10,505	△27,845
Proceeds from refund of leasehold and guarantee deposits	1,590	18,111
Proceeds from collection of long-term loans receivable	1,375	1,500
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	△355,141
Purchase of insurance funds	△1,653	△1,473
Proceeds from cancellation of insurance funds	12,116	—
Net cash provided by (used in) investing activities	△343,844	△743,548
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	60,000	—
Repayments of long-term borrowings	△339,525	△280,518
Redemption of bonds	△60,000	△50,000
Repayments of lease liabilities	△13,054	△12,121
Dividends paid	△261,096	△308,472
Net cash provided by (used in) financing activities	△613,676	△651,111
Effect of exchange rate change on cash and cash equivalents	979	△1,183
Net increase (decrease) in cash and cash equivalents	557,524	△102,939
Cash and cash equivalents at beginning of period	2,872,526	3,430,050
Cash and cash equivalents at end of period	3,430,050	3,327,111



(5) Consolidated financial statements notes

(Notes regarding the going concern assumption)

Not applicable.

(Changes in accounting policies)

(Application of accounting standards for corporate tax, inhabitant tax, business tax, etc.)

The "Accounting Standards for Corporate Taxes, Resident Taxes, Enterprise Taxes, etc." (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standards") and other standards have been applied from the beginning of the current consolidated fiscal year.

Regarding the amendments to the classification of corporate taxes, etc. (taxation on other comprehensive income), we have followed the transitional treatment set forth in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standards and the transitional treatment set forth in the proviso to Paragraph 65-2 (2) of the "Guidance on Accounting Standards for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Guidance"). The change in accounting policy has no impact on the consolidated financial statements.

In addition, with regard to the amendments related to the review of the treatment in consolidated financial statements when profits or losses arising from the sale of subsidiary shares, etc. between consolidated companies are deferred for tax purposes, the 2022 revised implementation guidelines have been applied from the beginning of the current consolidated fiscal year. This change in accounting policy has been applied retroactively, and the consolidated financial statements for the previous consolidated fiscal year are retroactively applied. Please note that this change in accounting policy has no impact on the consolidated financial statements for the previous consolidated fiscal year.

(Notes regarding segment information, etc.)

【Segment information】

1. Reportable Segment Overview

The reportable segments of the group are the constituent units of the group for which separate financial information is available and which the Board of Directors regularly reviews in order to determine the allocation of management resources and evaluate business performance.

The group's reportable segments consist of the business aimed at building information sharing platforms and healthcare platforms in the fields of medical care, nursing care and health, and the cloud platform business, which is ancillary services to this; the business aimed at providing services that contribute to extending healthy lifespan through the operation of 24-hour fitness gyms, and the healthy lifespan extension business, which is ancillary services to this; the business aimed at planning and developing web services characterized by speedy development in line with corporate needs, the business aimed at developing and providing various systems, and the business of implementing consulting and maintenance services for back-end systems such as sales management, inventory management and accounting management, and the solution development business, which is ancillary services to this.

2. Calculation method for the amounts of sales, profit or loss, assets, liabilities, and other items for each reportable segment

The accounting methods for the reported business segments are generally the same as those described in "Important matters forming the basis for the preparation of consolidated financial statements."

Inter-segment revenues and transfers are based on prevailing market prices.

3. Information on the amounts of sales, profits or losses, assets, liabilities, and other items for each reportable segment

Previous consolidated fiscal year (from October 1, 2023 to September 30, 2024)

(Thousands of yen)

	Reportable segments			Total	Reconciling items (※)1	Per consolidated financial statements (※)2
	Medical and nursing care cloud platform business	Healthy lifespan extension business	Solutions development business			
Sales						
Revenues from external customers	3,364,605	1,130,863	511,998	5,007,468	—	5,007,468
Transactions with other segments	6,107	—	18,457	24,565	△24,565	—
Net sales	3,370,713	1,130,863	530,456	5,032,033	△24,565	5,007,468
Operating profit (loss)	1,369,120	66,126	46,788	1,482,035	△42,879	1,439,155
Assets	4,971,590	1,333,843	308,161	6,613,595	△438,030	6,175,564
Liabilities	1,782,847	1,274,045	186,150	3,243,044	△902,293	2,340,750
Other items						
Depreciation	211,456	86,303	3,166	300,926	—	300,926
Increase in property, plant and equipment and intangible assets	201,346	153,916	4,838	360,102	△6,258	353,843

(※) 1. The breakdown of the adjustment amount is as follows:

The segment profit adjustment of -42,879 thousand yen includes inter-segment eliminations of 12,087 thousand yen and amortization of goodwill of -54,966 thousand yen.

The segment asset adjustment of -438,030 thousand yen includes goodwill of 470,030 thousand yen and inter-segment eliminations of -908,061 thousand yen.

- The adjustments for the increase in segment liabilities and property, plant and equipment, and intangible fixed assets are all inter-segment eliminations.
2. Segment profit or loss is adjusted to reflect operating profit in the consolidated financial statements.

Current consolidated fiscal year (from October 1, 2024 to September 30, 2025)

(Thousands of yen)

	Reportable segments			Total	Reconciling items (※)1	Per consolidated financial statements (※)2
	Medical and nursing care cloud platform business	Healthy lifespan extension business	Solutions development business			
Sales						
Revenues from external customers	3,582,874	1,187,551	730,360	5,500,786	—	5,500,786
Transactions with other segments	9,417	—	56,854	66,272	△66,272	—
Net sales	3,592,292	1,187,551	787,214	5,567,058	△66,272	5,500,786
Operating profit (loss)	1,499,351	156,977	77,386	1,733,715	△127,052	1,606,662
Assets	4,594,046	1,500,065	580,486	6,674,598	△132,360	6,542,237
Liabilities	1,255,094	1,311,350	232,739	2,799,184	△906,250	1,892,933
Other items						
Depreciation	235,122	94,727	3,850	333,700	△1,444	332,256
Increase in property, plant and equipment and intangible assets	241,511	222,575	1,977	466,063	△17,620	448,443

(※) 1. The breakdown of the adjustment amount is as follows:

The segment profit adjustment of -127,052 thousand yen includes inter-segment eliminations of -3,838 thousand yen, amortization of goodwill of -85,108 thousand yen, and investment expenses of -45,782 thousand yen.

The segment asset adjustment of -132,360 thousand yen includes goodwill of 793,637 thousand yen and inter-segment eliminations of -925,998 thousand yen.

The adjustments for segment liabilities, depreciation expenses, and increases in property, plant and equipment, and intangible fixed assets are all inter-segment eliminations.

2. Segment profit or loss is adjusted to reflect operating profit in the consolidated financial statements.

【Related Information】

Previous consolidated fiscal year (from October 1, 2023 to September 30, 2024)

1. Product and service information

Medical and nursing care cloud platform business

(Thousands of yen)

	Kanamic cloud service	Platform service	Other services	Total
Sales to external customers	2,852,786	423,710	88,108	3,364,605

Healthy lifespan extension business

(Thousands of yen)

	Healthy lifespan extension business	Total
Sales to external customers	1,130,863	1,130,863

Solution development business

(Thousands of yen)

	Solution service	Total
Sales to external customers	511,998	511,998

2. Regional information

(1) Net sales

Not applicable as there are no sales to external customers outside of Japan.

(2) Tangible fixed assets

The amount of tangible fixed assets located in Japan exceeds 90% of the amount of tangible fixed assets on the consolidated balance sheets, so this information has been omitted.

3. Information for each major customer

There are no external customers whose sales account for more than 10% of the sales on the income statement, so this is not stated.

Current consolidated fiscal year (from October 1, 2024 to September 30, 2025)

1. Product and service information

Medical and nursing care cloud platform business

(Thousands of yen)

	Kanamic cloud service	Platform service	Other services	Total
Sales to external customers	2,997,067	474,066	111,740	3,582,874

Healthy lifespan extension business

(Thousands of yen)

	Healthy lifespan extension business	Total
Sales to external customers	1,187,551	1,187,551

Solution development business

(Thousands of yen)

	Solution service	Total
Sales to external customers	730,360	730,360

2. Regional information

(1) Net sales

Sales to external customers in Japan exceed 90% of sales on the consolidated statements of income, so this information has been omitted.

(2) Tangible fixed assets

The amount of tangible fixed assets located in Japan exceeds 90% of the amount of tangible fixed assets on the consolidated balance sheets, so this information has been omitted.

3. Information for each major customer

There are no external customers whose sales account for more than 10% of the sales on the income statement, so this is not stated.

【Information on impairment losses on fixed assets by reportable segment】

Previous consolidated fiscal year (from October 1, 2023 to September 30, 2024)

(Thousands of yen)

	Medical and nursing care cloud platform business	Healthy lifespan extension business	Solutions development business	Unallocated amounts and elimination	Total
Impairment losses※	—	96,730	—	—	96,730

※ Recorded as an extraordinary loss.

Current consolidated fiscal year (from October 1, 2024 to September 30, 2025)

Not applicable.

【Information on amortization and unamortized balance of goodwill by reportable segment】

Previous consolidated fiscal year (from October 1, 2023 to September 30, 2024)

(Thousands of yen)

	Medical and nursing care cloud platform business	Healthy lifespan extension business	Solutions development business	Unallocated amounts and elimination	Total
Amortization of goodwill	—	17,217	37,748	—	54,966
Goodwill	—	133,439	336,590	—	470,030

Current consolidated fiscal year (from October 1, 2024 to September 30, 2025)

(Thousands of yen)

	Medical and nursing care cloud platform business	Healthy lifespan extension business	Solutions development business	Unallocated amounts and elimination	Total
Amortization of goodwill	—	17,217	67,890	—	85,108
Goodwill	—	116,221	677,416	—	793,637

【Information on gains on negative goodwill by reportable segment】

Previous consolidated fiscal year (from October 1, 2023 to September 30, 2024)

Not applicable.

Current consolidated fiscal year (from October 1, 2024 to September 30, 2025)

Not applicable.

(Per share information)

	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025
Net assets per share	80.81 Yen	97.97Yen
Net income per share	19.38 Yen	23.42 Yen
Diluted net income per share	— Yen	— Yen

(Note) 1. The basis for calculating net income per share and diluted net income per share is as follows:

	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025
Net income per share		
Net income attributable to owners of parent (thousand yen)	919,989	1,111,528
Amount not attributable to common shareholders (thousand yen)	—	—
Net income attributable to shareholders of the parent company related to common stock (thousand yen)	919,989	1,111,528
Average number of common stocks during the period (shares)	47,462,681	47,457,294
Diluted net income per share		
Adjustments to net income attributable to owners of parent (thousand yen)	—	—
(including interest on securities (after tax deduction) (thousand yen))	(—)	(—)
Increase in number of common stocks (shares)	—	—
(including convertible bonds with stock acquisition rights (shares))	(—)	(—)
(including stock acquisition rights (shares))	(—)	( )
Summary of potential shares not included in the calculation of diluted net income per share because they have no dilutive effect	—	—

2. The basis for calculating net assets per share is as follows:

	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025
Total net assets (thousand yen)	3,834,813	4,649,304
Amount to be deducted from the total net assets (thousand yen)	—	—
(including stock acquisition rights (thousand yen))	(—)	(—)
Net assets at the end of the period related to common stock (thousand yen)	3,834,813	4,649,304
Number of common shares at the end of the period used to calculate net asset value per share (shares)	47,457,294	47,457,294

(Additional information)

(Important matters that form the basis for preparing consolidated financial statements)

The Company has included THE WORLD MANAGEMENT PTE. LTD. in the scope of consolidation from the current consolidated fiscal year. Important matters that form the basis for preparing consolidated financial statements are as follows:

1. Matters concerning the scope of consolidation

Status of consolidated subsidiaries

Number of consolidated subsidiaries: 4

Name of consolidated subsidiary: Urban Fit Co., Ltd  
Ruby Development Co., Ltd.  
Kanamic (Dalian) Technology Co., Ltd  
The World Management Pte Ltd

Significant changes in the scope of consolidation:

From the current consolidated fiscal year, THE WORLD MANAGEMENT PTE. LTD. has been included in the scope of consolidation.

This is due to the fact that the Company acquired all shares of THE WORLD MANAGEMENT PTE. LTD. during this consolidated fiscal year, and has now included the company in the scope of consolidation.

2. Matters concerning application of the equity method

Not applicable.

3. Matters concerning the fiscal year of consolidated subsidiaries

The fiscal year end of consolidated subsidiary Kanamic (Dalian) Technology Co., Ltd. is December 31. In preparing the consolidated financial statements, financial statements based on provisional settlement of accounts as of August 31 are used, and adjustments are made as necessary for consolidation for any significant transactions that occurred between the fiscal year end and the consolidated fiscal year end.

The fiscal year end of the consolidated subsidiary, THE WORLD MANAGEMENT PTE LTD, is December 31. Consolidated financial statements are prepared based on provisional settlement of accounts as of September 30, and any significant transactions that occurred between the fiscal year end and the consolidated fiscal year end are adjusted as necessary for consolidation.

The fiscal year end of other consolidated subsidiaries is the same as the consolidated fiscal year end.

4. Accounting policy matters

(1) Valuation criteria and methods for significant assets

Inventory

a) Product

Stated at cost using the first-in, first-out method (values on the consolidated balance sheets are calculated by writing down book value due to declines in profitability)

b) Work-in-progress

Cost method based on the specific cost method (The amount on the consolidated balance sheet is calculated by writing down the book value due to a decline in profitability)

c) Stored goods

Cost accounting method based on last purchase cost method (values on the consolidated balance sheet are calculated by writing down book value due to decline in profitability)

(2) Depreciation methods for significant depreciable assets

a) Tangible fixed assets (excluding leased assets)

The straight-line method is used, except for buildings and fixtures and vehicles acquired before March 31, 2016, which are depreciated using the declining-balance method.

The main useful lives are as follows:

Buildings	8~39 years
Vehicle transport equipment	4~6 years
Tools, equipment and fixtures	3~10 years

b) Intangible fixed assets

The fixed amount method is used.

The amortization period is as follows:



Software (for internal use)      5 years (internal use period)

c) Leased assets

Leased assets related to finance lease transactions that do not transfer ownership

The straight-line method is used, with the lease period being the useful life and the residual value set at zero.

(3) Criteria for recording significant reserves

a) Allowance for doubtful accounts

To prepare for losses due to bad debts, we record an estimated unrecoverable amount based on the historical bad debt rate for general receivables, and for specific receivables such as those with a high probability of default, we consider the collectibility of each individual receivable and record an estimated unrecoverable amount.

b) Bonus reserve

In preparation for the payment of bonuses to employees, the estimated payment amount for the current consolidated fiscal year is recorded.

(4) Revenue and expense recognition standards

Our group provides services related to information sharing platforms and healthcare platforms, mainly in the fields of medical care, nursing care and health (including the operation of fitness gym facilities), and provides contracts for system development.

a) Platform services

For platform-related services, we have a performance obligation to provide services based on service agreements with customers. For system implementation services, since the performance obligation is to provide system implementation support, including data migration, we deem the performance obligation to be satisfied at the time the service is provided and recognize revenue. For system and facility usage fees, we deem the performance obligation to be satisfied by providing the usage environment in accordance with the contract period and recognize revenue over a certain period.

b) Contract

Under contracts, we have performance obligations to provide deliverables based on our contractual relationship with customers. Because control of these contracts is transferred to customers as the development work progresses, we believe that performance obligations are satisfied over a certain period of time, and therefore we recognize revenue based on the rate of progress. Because we believe that incurred costs are proportional to the rate of progress in satisfying performance obligations, we measure progress based on the ratio of incurred costs to total estimated costs (input method). For contracts with short periods or contract details that are deemed insignificant, we recognize revenue when performance obligations are completely satisfied.

(5) Goodwill amortization method and period

Goodwill is amortized using the straight-line method over a period of 10 years.

(6) Standards for converting significant assets or liabilities denominated in foreign currencies into Japanese currency

Foreign currency receivables and payables are translated into yen at the spot exchange rate on the consolidated balance sheet date, and exchange differences are treated as profits or losses. Assets and liabilities of overseas subsidiaries are translated into yen at the spot exchange rate on the balance sheet date, and revenues and expenses are translated into yen at the average exchange rate during the period, with translation differences recorded in the foreign currency translation adjustment account in net assets.

(7) Scope of funds in the consolidated cash flow statement

These consist of cash on hand, readily available deposits, and short-term investments that are readily convertible into cash and have an insignificant risk of fluctuation in value and mature within three months of the date of acquisition.

(Matters Concerning Accounting Estimates)

The items recorded in the consolidated financial statements for the current consolidated fiscal year based on accounting estimates that may have a material impact on the consolidated financial statements for the next consolidated fiscal year are as follows:

Accounting policy matters

Impairment of fixed assets (including goodwill)

a) Amounts recorded in the consolidated financial statements for the current fiscal year

Tangible fixed assets      996,612 thousand yen

Intangible fixed assets (including goodwill)      1,457,274 thousand yen

b) Information about the nature of significant accounting estimates related to identified items

If there are indications of impairment of fixed assets, the group assesses whether or not impairment should be recognized based on future cash flows to be obtained from the asset or asset group. Although the group carefully considers identifying indications of impairment and determining whether or not impairment losses should be recognized, if there are changes in the conditions and assumptions underlying the estimate due to changes in the market environment or the company's business situation, it may become necessary to record impairment losses.

(Notes regarding consolidated balance sheets)

Accumulated depreciation of tangible fixed assets	671,197 thousand yen
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(Notes regarding business combinations)

Business combination through acquisition

At the Board of Directors meeting held on October 29, 2024, the Company resolved to acquire shares of THE WORLD MANAGEMENT PTE LTD (headquartered in Singapore) and make it a wholly owned subsidiary. The Company concluded a share transfer agreement on the same day and acquired all shares on November 29, 2024.

(1) Overview of the business combination

① Name of the acquired company and its business activities

Name of the acquired company:	THE WORLD MANAGEMENT PTE LTD
Business scope:	IT consulting business

② Main reasons for the business acquisition

THE WORLD MANAGEMENT PTE. LTD. (hereinafter "TWM") is a Singapore-based IT consulting company. TWM provides implementation consulting and maintenance services for back-end systems, primarily for sales management, inventory management, and accounting management, to many companies in Singapore. By combining TWM's back-end systems with our group's front-end system development capabilities, we will be able to provide comprehensive IT systems to TWM's clients and other companies in Singapore. Furthermore, several of TWM's clients are involved in nursing care businesses and medical clinics. We believe that TWM's client base will be a major driving force in helping us provide even higher value-added services as a healthcare and health tech company. Furthermore, we anticipate expanding into Southeast Asia, including ASEAN countries, from our base in Singapore.

③ Business acquisition date:

November 29, 2024 (share acquisition date)
December 31, 2024 (deemed acquisition date)

④ Legal form of business acquisition: Acquisition of shares in exchange for cash

⑤ Name of company after acquisition: THE WORLD MANAGEMENT PTE. LTD.

⑥ Voting rights ratio acquired: 100%

⑦ Main reasons for deciding on the acquiring company

The Company acquired all shares in exchange for cash.

(2) The period of the acquired company's performance included in the consolidated income statement for the current consolidated fiscal year

From January 1, 2025 to September 30, 2025

(3) Acquisition cost of the acquired company and breakdown by type of consideration

Acquisition price	Cash and deposits	5,000,000 SGD (Approx. 565,850 thousand yen)
Acquisition cost		5,000,000 (Approx. 565,850 thousand yen)
Reference: Exchange rate: 1 SGD = 113.17 yen (as of November 29, 2024)		

(4) Details and amounts of major acquisition-related costs

Advisory fees and commissions	45,782 thousand yen
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(5) Amount of goodwill generated, cause of generation, amortization method and amortization period

① Amount of goodwill incurred: 413,456 thousand yen

② Cause: This excess profitability is expected to come primarily from the streamlining of indirect operations in the regions where THE WORLD MANAGEMENT PTE LTD provides IT consulting services.

③ Amortization method and period: Equally-divided amortization over 10 years

(6) Amount of assets and liabilities assumed on the date of business combination and their main breakdown

Current assets:	237,524 thousand yen
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<u>Fixed assets</u>	<u>1,897 thousand yen</u>
<u>Total Assets</u>	<u>239,421 thousand yen</u>
Current liabilities	70,143 thousand yen
<u>Fixed liabilities</u>	<u>184 thousand yen</u>
<u>Total Liabilities</u>	<u>70,328 thousand yen</u>

(Significant subsequent events)

Not applicable.