



Translation

Note: This document has been translated from 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.

**Consolidated Financial Results
for the Six Months Ended September 30, 2025
(Under IFRS)**

November 14, 2025

Company name	Net Protections Holdings, Inc.	Listing: Tokyo Stock Exchange
Securities code:	7383	URL: https://corp.netprotections.com/en/
Representative:	Shin Shibata, President and Representative Director	
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Scheduled date to file Semi-annual Securities Report	November 14, 2025	Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results:	Yes	
Holding of financial results briefing:	Yes (for institutional investors and securities analysts)	

(Note) Amounts less than one million yen are rounded down to the nearest million yen.

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

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

	Total operating revenue		Operating profit		Profit before income taxes		Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
Six months ended September 30, 2025	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2025	12,403	12.5	1,549	78.9	1,538	85.5	955	103.9	9.62	9.53
September 30, 2024	11,021	6.7	866	—	829	—	468	—	4.82	4.78

	GMV (non-GAAP)		Gross profit (non-GAAP)		EBITDA (non-GAAP)	
Six months ended September 30, 2025	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	367,577	20.6	5,880	19.9	2,423	44.4
September 30, 2024	304,794	11.3	4,904	33.2	1,678	—

(2) Consolidated financial position

	Total assets		Total equity		Equity attributable to owners of parent		Ratio of equity attributable to owners of parent to total assets
As of September 30, 2025	Millions of yen		Millions of yen		Millions of yen		%
March 31, 2025	81,469		20,289		20,228		24.8
	70,848		19,229		19,169		27.1

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2025	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 0.00
Fiscal year ending March 31, 2026	—	0.00	—	—	—
Fiscal year ending March 31, 2026 (forecast)	—	—	—	0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Total operating revenue		Operating profit		Profit before income taxes		Profit attributable to owners of parent		Basic earnings per share
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	25,400	10.3	2,900	37.9	2,740	28.1	1,600	18.5	16.11

	GMV (non-GAAP)		Gross profit (non-GAAP)		EBITDA (non-GAAP)	
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	763,000	18.9	11,950	14.0	4,690	25.2

Notes: 1. Revisions to the forecast of consolidated financial results most recently announced: Yes

- For the average number of shares outstanding during the period that forms the basis for calculating "Basic earnings per share," the number of shares issued (excluding treasury shares) as of March 31, 2025 is used as a substitute.

[Notes]

(1) Significant changes in the scope of consolidation during the period: None

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

- Changes in accounting policies required by IFRS: None
- Changes in accounting policies due to other reasons: None
- Changes in accounting estimates: None

(3) Number of issued shares (common stock)

- Total number of issued shares at the end of the period (including treasury shares)
- Number of treasury shares at the end of the period
- Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

As of September 30, 2025	99,403,999 shares	As of March 31, 2025	99,306,627 shares
As of September 30, 2025	— shares	As of March 31, 2025	— shares
Six months ended September 30, 2025	99,326,223 shares	Six months ended September 30, 2024	97,318,034 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* [Proper use of earning forecasts, and other special matters]

(Disclaimer on forward-looking statements)

The earnings forecast and other forward-looking statements contained in this report are based on information currently available to us and certain assumptions that we believe are reasonable. Accordingly, we can give no assurance that they will be achieved. Note that actual results may differ significantly from forecast figures due to a number of factors.

Non-GAAP performance measures

The Company additionally discloses non-GAAP performance measures that are not prescribed by IFRS, the accounting standards applied by the Company, as we believe that such measures are useful for investors to assess the Group's operating performance.

Non-GAAP performance measure	Description
GMV	Gross merchandise value for the Group's payment services
Gross profit	Total operating revenue - (Invoicing related expenses + Bad debt related expenses + Other operating revenue + Other payment related expenses)
EBITDA	Operating profit + (Depreciation and amortization + Share-based payment expenses + Loss on disposal of property, plant and equipment + Impairment losses - Gain from reversal of impairment losses)

(How to obtain supplementary material on financial results and the details of the financial results briefing)

The Company will promptly post the supplementary material on financial results and the details of the financial results briefing on its IR website (<https://corp.netprotections.com/en/ir/>).

(Special notes on financial results and investor information)

In order to enhance disclosure, the Company has begun providing an IR data sheet starting with the second quarter results. This data sheet compiles financial information on a quarterly basis.

The Company plans to promptly publish it on its IR website (<https://corp.netprotections.com/en/ir/>) at the same time that financial results are disclosed.

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1. Overview of Operating Results, etc.

(1) Semi-annual operating results

The operating results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025) were as follows:
(Millions of yen, unless otherwise indicated)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025	Percentage change (%)
Total operating revenue	11,021	12,403	12.5
Operating profit	866	1,549	78.9
Profit before income taxes	829	1,538	85.5
Profit attributable to owners of parent	468	955	103.9

Business performance by segment is not presented as the Company and its subsidiaries (collectively, the "Group") operate a single segment, Payment Solutions. The Group, nevertheless, discloses its key performance indicators by line of service to the extent possible as shown below.

	Service category	Service
Services for B2C transactions	B2C Services: NP <i>Atobarai</i> and other	NP <i>Atobarai</i> , NP <i>Atobarai</i> air, AFTEE, etc.
	B2C Services: <i>atone</i>	<i>atone</i>
Service for B2B transactions	B2B Service	NP <i>Kakebarai</i>

The key performance indicators are shown as below.

	Three months ended September 30, 2024	Three months ended September 30, 2025	Percentage change (%)	Six months ended September 30, 2024	Six months ended September 30, 2025	Percentage change (%)
GMV (non-GAAP)						
B2C Services: NP <i>Atobarai</i> and other	155,313	187,295	20.6	304,794	367,577	20.6
B2C Services: <i>atone</i>	88,271	87,613	(0.7)	174,099	174,869	0.4
B2B Service	9,105	15,034	65.1	17,178	28,378	65.2
57,936	84,647	46.1		113,516	164,329	44.8
Total operating revenue	5,767	6,240	8.2	11,021	12,403	12.5
B2C Services: NP <i>Atobarai</i> and other	4,212	4,107	(2.5)	8,003	8,305	3.8
B2C Services: <i>atone</i>	458	724	58.0	870	1,336	53.5
B2B Service	1,095	1,408	28.5	2,147	2,761	28.6
— Other operating revenue	111	163	46.7	273	335	22.6
Revenue	5,655	6,077	7.5	10,747	12,068	12.3
— Invoicing related expenses (non-GAAP)	1,953	2,043	4.6	3,921	4,047	3.2
— Bad debt related expenses (non-GAAP)	941	927	(1.4)	1,707	1,870	9.5
— Other payment related expenses (non-GAAP)	114	144	26.8	214	270	25.9
Gross profit (non-GAAP)	2,647	2,961	11.9	4,904	5,880	19.9
B2C Services: NP <i>Atobarai</i> and other	1,994	1,943	(2.6)	3,597	3,997	11.1
B2C Services: <i>atone</i>	132	209	58.4	251	376	49.4
B2B Service	519	807	55.4	1,054	1,506	42.9
— SG&A and other operating expenses (non-GAAP)	2,165	2,342	8.2	4,311	4,666	8.2
Operating profit	593	782	31.9	866	1,549	78.9
+ Depreciation and amortization	400	430	7.6	802	855	6.7
+ Share-based payment expenses	1	12	—	3	13	340.7
+ Loss on disposal of property, plant and equipment	2	2	(24.9)	6	4	(37.6)
+ Impairment losses	—	—	—	—	—	—
— Gain from reversal of impairment losses	—	—	—	—	—	—
EBITDA (non-GAAP)	997	1,227	23.0	1,678	2,423	44.4

Note: The Company additionally discloses non-GAAP performance measures that are not prescribed by International Financial Reporting Standards (the “IFRS”), the accounting standards applied by the Company, as we believe that such measures are useful for investors to assess the Group’s operating performance.

Non-GAAP performance measure	Description
GMV	Gross merchandise value for the Group's payment services
Invoicing related expenses	Collection expense + Invoicing expense, primarily the amount of expenses incurred per invoice
Bad debt related expenses	Allowance for doubtful accounts (addition) + Bad debt expense + Loss on sale of trade receivables, primarily the expenses incurred in proportion to the amount of invoice
Other payment related expenses	Other expenses required for providing payment services, including credit screening costs and NP point expenses
Gross profit	Revenue – (Invoicing related expenses + Bad debt related expenses + Other payment related expenses)
SG&A and other operating expenses	Operating expenses – (Invoicing related expenses + Bad debt related expenses + Other payment-related expenses)
EBITDA	Operating profit + (Depreciation and amortization + Share-based payment expenses + Loss on disposal of property, plant and equipment + Impairment losses – Gain from reversal of impairment losses)

Given that the Group serves tens of thousands of merchants, our business structure makes us less dependent on specific merchants, but are susceptible to changes in the e-commerce and payment markets impacted by changes in the macro environment.

Notes on GMV

For the six months ended September 30, 2025, GMV increased 20.6% year on year to 367,577 million yen (up 0.4% to 174,869 million yen for the B2C Services: NP *Atobarai* and other, up 65.2% to 28,378 million yen for the B2C Services: *atone*, and up 44.8% to 164,329 million yen for the B2B Service).

Main factors for the B2C Services: NP *Atobarai* and other are as follows:

- GMV growth range for the NP *Atobarai* service was limited.
- GMV for the NP *Atobarai* air, a BNPL service for the service sectors, achieved year-on-year growth backed by the need for digital transformation (DX) of billing operations across Japan.

Main factors for the B2C Services: *atone* are as follows:

- GMV grew driven by at merchants that were newly onboarded and newly introduced *Pay in 10 Days* previous fiscal year.
- As the Group continued to strengthen its sales force, new merchants that have onboarded during the current fiscal year also contributed to the growth of GMV. In particular, merchants with characteristics different from the case of NP *Atobarai*, mainly digital content and entertainment stores, are growing remarkably.

Main factors for the B2B Service are as follows:

- GMV for the B2B Service grew as in the previous fiscal year mainly because this quarter saw the expansion in use of our service among existing merchants, particularly at major merchants in on-demand work and job advertising.
- In addition, due to continuing to strengthen our sales force, merchants that newly onboarded during this period contributed to GMV growth.
- Taking advantage of the heightened trend focusing on efficiency of payment operations due to factors such as a declining workforce due to the recent decline in birthrates and work style reforms, as well as business expansion, we will continue to drive GMV growth by securing orders from major companies through strategic sales and development of services.

Company-wide GMV is smoothly progressing against plan.

Notes on total operating revenue

For the six months ended September 30, 2025, total operating revenue increased 12.5% year on year to 12,403 million yen (up 3.8% to 8,305 million yen for the B2C Services: NP *Atobarai* and other, up 53.5% to 1,336 million yen for the B2C Services: *atone*, and up 28.6% to 2,761 million yen for the B2B Service).

Due to the growth of GMV in each service, total operating revenue increased in absolute value.

Also, the take rate (total operating revenue as a percentage of GMV) declined due to the growth of large merchants who generally have relatively low service fees.

Company-wide total operating revenue is smoothly progressing against plan.

Notes on gross profit

For the six months ended September 30, 2025, gross profit increased 19.9% year on year to 5,880 million yen (up 11.1% to 3,997 million yen for the B2C Services: NP *Atobarai* and other, up 49.4% to 376 million yen for the B2C Services: *atone*, and up 42.9% to 1,506 million yen for the B2B Service).

Gross profit increased in absolute value due to the growth of GMV in each service, as in the case of total operating revenue.

Main factors for changes in gross profit margin to GMV are as follows:

- In addition, as the collection status of receivables has been improving in each service, the ratio of bad debt-related expenses to GMV decreased during the six months ended September 30, 2025, and the gross profit margin improved.
- Going forward, we will continue to work on improving the collection status to reduce the ratio of bad debt-related expenses and invoicing related expenses to GMV in each service.

Note that the calculation rule for bad debt-related expenses has been set so that we can provide an appropriate amount in the long term. Therefore, the expenses for a quarter or other short period may be subject to quarter-on-quarter or year-on-year fluctuation, regardless of the long-term trend.

Company-wide gross profit is smoothly progressing against plan.

Notes on operating profit and EBITDA

The Group posted operating profit of 1,549 million yen (up 78.9% year on year) and EBITDA of 2,423 million yen (up 44.4% year on year).

The main driver/impediment is as follows:

In line with the increase in gross profit, operating profit and EBITDA also increased. SG&A expenses increased year on year, but the ratio of SG&A expenses to GMV decreased year on year owing to the progress we have made in improving operational efficiency.

Company-wide operating profit progressed ahead of plan; accordingly, the plan for the second half has been revised.

(2) Semi-annual financial position

(Millions of yen, unless otherwise indicated)

	As of March 31, 2025	As of September 30, 2025	Change	Percentage change (%)
Total assets	70,848	81,469	10,621	15.0
Total current assets	50,540	61,129	10,588	21.0
Total non-current assets	20,307	20,340	33	0.2
Total liabilities	51,618	61,180	9,562	18.5
Total current liabilities	46,249	60,900	14,650	31.7
Total non-current liabilities	5,368	280	(5,088)	(94.8)
Total equity	19,229	20,289	1,059	5.5

Current assets as of September 30, 2025 increased 10,588 million yen from the end of the previous fiscal year. The increase was attributable mainly to a 5,839 million yen increase in trade and other receivables due mainly to an increase in transaction volume, as well as a 4,889 million yen increase in cash and cash equivalents.

Non-current assets increased 33 million yen from the end of the previous fiscal year.

Current liabilities increased 14,650 million yen from the end of the previous fiscal year. This was attributable mainly to a 9,430 million yen increase in trade and other payables due to an increase in transaction volume, as in the case of trade and other receivables. In addition, short-term loans increased 4,699 million yen, due to the reclassification of loans scheduled to be repaid within one year from non-current to current liabilities.

Of the Group's current assets, trade and other receivables (before deduction of allowance for doubtful accounts) of 45,960 million yen represent primarily the receivables from end users who used our payment services. Of the Group's current liabilities, trade and other payables of 48,370 million yen represent primarily the payables to merchants. The Group's trade receivables and payables are well-balanced in the short term, backed by appropriately timed cycles of collection and payment from end users and to merchants, respectively. This implies that the Group has a limited need for raising additional working capital for business expansion. It can therefore be said that it is structurally less susceptible to the impact of rising interest rates. As payables to merchants for whom we provide payment services are paid mostly on Fridays, the ending balance varies significantly depending on what day of the week is the last day of the reporting period.

Non-current liabilities decreased by 5,088 million yen compared to the end of the previous fiscal year. This was due to the reclassification of loans scheduled to be repaid within one year from non-current to current liabilities.

(3) Status of cash flows

(Millions of yen, unless otherwise indicated)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025	Change
Cash flows from operating activities	1,544	6,173	4,628
Cash flows from investing activities	(704)	(840)	(135)
Cash flows from financing activities	2,438	(490)	(2,928)
Effects of exchange rate changes on cash and cash equivalents	(32)	47	79
Net increase (decrease) in cash and cash equivalents	3,246	4,889	1,643
Cash and cash equivalents at the beginning of the period	10,810	17,039	6,229
Cash and cash equivalents at the end of the period	14,056	21,929	7,872

Cash and cash equivalents ("net cash") as of September 30, 2025 amounted to 21,929 million yen (compared with 14,056 million yen for the same period of the previous fiscal year).

Cash flows from operating activities

Net cash provided by operating activities amounted to 6,173 million yen (compared with 1,544 million yen provided for the same period of the previous fiscal year). This is attributable mainly to:

- recording of profit before income taxes (positive 1,538 million yen),
- recording of depreciation, amortization and impairment losses (positive 855 million yen),
- changes in trade and other receivables (negative 5,839 million yen),
- changes in trade and other payables (positive 9,430 million yen),
- changes in other assets and liabilities (positive 1,006 million yen), and
- income taxes paid (negative 757 million yen).

Cash flows from investing activities

Net cash used in investing activities amounted to 840 million yen (compared with 704 million yen used for the same period of the previous fiscal year).

This is attributable mainly to:

- purchase of intangible assets due to investment in system development (negative 830 million yen).

Cash flows from financing activities

Net cash used in financing activities amounted to 490 million yen (compared with 2,438 million yen provided for the same period of the previous fiscal year).

This is attributable mainly to:

- a net decrease in short-term loans (negative 353 million yen) and
- repayments of lease liabilities (negative 142 million yen).

(4) Forward-looking information including consolidated earnings forecast

We have revised our full-year earnings forecast, announced on August 14, 2025, to reflect the latest results. For details of the revision, please refer to the "Notice Concerning Variance between Consolidated Earnings Forecasts and Actual Results for Six Months Ended September 30, 2025 and Revision to Full-Year Consolidated Forecasts for the Fiscal Year Ending March 31, 2026" announced today (November 14, 2025).

2. Condensed Semi-annual Consolidated Financial Statements and Major Notes

(1) Condensed semi-annual consolidated statement of financial position

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	17,039	21,929
Trade and other receivables	32,810	38,650
Operating loans	180	241
Inventories	28	29
Other current receivables	481	279
Total current assets	50,540	61,129
Non-current assets		
Property, plant and equipment	686	566
Goodwill	11,608	11,608
Other intangible assets	4,886	5,013
Other financial assets	958	956
Deferred tax assets	1,884	1,907
Other non-current assets	282	287
Total non-current assets	20,307	20,340
Total assets	70,848	81,469

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	38,940	48,370
Short-term loans	4,766	9,465
Lease liabilities	262	287
Other current financial liabilities	9	15
Income taxes payable	780	1,055
Provisions	33	36
Liabilities for employee benefits	556	639
Other current liabilities	899	1,028
Total current liabilities	46,249	60,900
Non-current liabilities		
Long-term loans	4,984	—
Lease liabilities	270	161
Provisions	112	113
Other non-current liabilities	—	4
Total non-current liabilities	5,368	280
Total liabilities	51,618	61,180
Equity		
Share capital	4,213	4,227
Capital surplus	14,275	14,275
Retained earnings	544	1,500
Other components of equity	136	224
Total equity attributable to owners of parent	19,169	20,228
Non-controlling interests	60	61
Total equity	19,229	20,289
Total liabilities and equity	70,848	81,469

(2) Condensed semi-annual consolidated statements of profit or loss and condensed semi-annual consolidated statements of comprehensive income

Condensed semi-annual consolidated statements of profit or loss

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Revenue	10,747	12,068
Other operating revenue	273	335
Total operating revenue	11,021	12,403
Operating expenses	(10,155)	(10,853)
Operating profit	866	1,549
Financial income	2	55
Financial costs	(39)	(66)
Profit before income taxes	829	1,538
Income tax expense	(367)	(586)
Profit	<u><u>461</u></u>	<u><u>952</u></u>
Profit attributable to:		
Owners of parent	468	955
Non-controlling interests	(7)	(3)
Profit	<u><u>461</u></u>	<u><u>952</u></u>
Earnings per share:		
Basic earnings per share (yen)	4.82	9.62
Diluted earnings per share (yen)	4.78	9.53

Condensed semi-annual consolidated statements of comprehensive income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	461	952
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(49)	93
Total of items that may be reclassified to profit or loss	(49)	93
Other comprehensive income	(49)	93
Comprehensive income	<u>411</u>	<u>1,045</u>
Comprehensive income attributable to:		
Owners of parent	422	1,044
Non-controlling interests	(10)	1
Comprehensive income	<u>411</u>	<u>1,045</u>

(3) Condensed semi-annual consolidated statement of changes in equity

For the six months ended September 30, 2024

(Millions of yen)

Equity attributable to owners of the parent							
	Share capital	Capital surplus	Retained earnings	Other components of equity	Total	Non-controlling interests	Total equity
Balance as of April 1, 2024	4,134	14,196	(805)	178	17,704	76	17,780
Profit	—	—	468	—	468	(7)	461
Other comprehensive income	—	—	—	(46)	(46)	(3)	(49)
Total comprehensive income	—	—	468	(46)	422	(10)	411
Issuance of new shares and other shares	10	8	—	—	18	—	18
Share-based payment transactions	—	0	—	—	0	—	0
Total transactions with owners	10	8	—	—	19	—	19
Balance as of September 30, 2024	4,145	14,204	(336)	132	18,146	65	18,211

For the six months ended September 30, 2025

(Millions of yen)

Equity attributable to owners of the parent							
	Share capital	Capital surplus	Retained earnings	Other components of equity	Total	Non-controlling interests	Total equity
Balance as of April 1, 2025	4,213	14,275	544	136	19,169	60	19,229
Profit	—	—	955	—	955	(3)	952
Other comprehensive income	—	—	—	88	88	4	93
Total comprehensive income	—	—	955	88	1,044	1	1,045
Issuance of new shares and other shares	2	2	—	—	5	—	5
Share-based payment transactions	11	(2)	—	—	8	—	8
Total transactions with owners	13	0	—	—	14	—	14
Balance as of September 30, 2025	4,227	14,275	1,500	224	20,228	61	20,289

(4) Condensed semi-annual consolidated statements of cash flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	829	1,538
Depreciation, amortization and impairment losses	802	855
Share-based payment expenses	3	13
Finance income and finance costs	37	10
Increase (decrease) in provisions	(29)	3
Loss on retirement of non-current assets	6	4
Decrease (increase) in inventories	(15)	(0)
Decrease (increase) in trade and other receivables	(1,186)	(5,839)
Decrease (increase) in operating loans	—	(61)
Increase (decrease) in trade and other payables	937	9,430
Other	436	1,006
Subtotal	1,822	6,963
Interest received	2	18
Interest paid	(21)	(50)
Income taxes paid	(259)	(757)
Net cash provided by (used in) operating activities	1,544	6,173
Cash flows from investing activities		
Payments into time deposits	—	(0)
Purchase of property, plant and equipment	(44)	(10)
Purchase of intangible assets	(767)	(830)
Payments of guarantee deposits	—	(2)
Proceeds from collection of guarantee deposits	106	2
Net cash provided by (used in) investing activities	(704)	(840)
Cash flows from financing activities		
Net increase (decrease) in short-term loans	2,574	(353)
Repayments of lease liabilities	(152)	(142)
Proceeds from issuance of shares	16	5
Net cash provided by (used in) financing activities	2,438	(490)
Effects of exchange rate changes on cash and cash equivalents		
Net increase (decrease) in cash and cash equivalents	3,246	4,889
Cash and cash equivalents at the beginning of the period	10,810	17,039
Cash and cash equivalents at the end of the period	14,056	21,929

(5) Notes to condensed semi-annual consolidated financial statements

Going concern assumption

Not applicable.

Segment information

The Group operates as a single segment, Payment Solutions, and there are no other business segments to be classified. Therefore, segment information is not presented here.

Trade receivables

The breakdown of receivables arising from contracts with customers is as follows:

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Receivables arising from contracts with customers		
Trade receivables	419	526
Other trade receivables	39,004	45,433
Allowance for doubtful accounts	(6,613)	(7,310)
Total	<u>32,810</u>	<u>38,650</u>

Operating expenses

The breakdown of operating expenses is as follows:

	For the six months ended September 30, 2024	For the six months ended September 30, 2025	(Millions of yen)
Collection expense	3,145	3,179	
Invoicing expense	775	867	
Provision for doubtful accounts	198	641	
Bad debt expense	1,134	672	
Loss on sale of trade receivables (Note 1)	374	555	
Advertising expenses	212	240	
Sales promotion expenses	258	309	
Salaries	854	917	
Bonuses and provision for bonuses	192	227	
Legal welfare expenses	169	184	
Wages	192	188	
Recruiting expenses	36	54	
Consignment expense	497	573	
Operating and maintenance expenses	379	448	
Maintenance cost	70	71	
Depreciation and amortization	802	855	
Taxes and dues	237	148	
Other	620	717	
Total	10,155	10,853	

Notes: 1. For other trade receivables for *NP Kakebarai*, the Group sold trade receivables that are no longer expected to be collected through normal collection procedures by internal reminders and outsourcing, and recognized loss on sale of trade receivables at the time of selling.