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December 15, 2025

Consolidated Financial Results for the Fiscal Year Ended October 31, 2025 (Japanese GAAP)

Company name: Prored Partners Co., Ltd. Stock exchange listing: TSE Prime Market
Securities code: 7034 URL: <https://www.prored-p.com/>
Representative: Susumu Satani, Representative Director
Contact: Yuki Kamito, Executive Officer and CFO Tel: +81-3-6435-6581
Scheduled date of Annual General Meeting of Shareholders: January 27, 2026
Scheduled date for filing of securities report: January 27, 2026
Scheduled date of dividend payment: –
Supplementary documents on financial results: Yes
Financial result briefing: Yes (for Institutional Investors and analysts)

(Rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended October 31, 2025 (November 1, 2024 to October 31, 2025)

(1) Consolidated operating results (Percentages below represent increases (decreases) from the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
October 31, 2025	12,302	158.7	4,945	395.1	4,947	287.8	205	-35.6
October 31, 2024	4,755	–	988	–	1,275	-70.9	319	-60.9

(Note)1. Comprehensive income Fiscal year ended October 31, 2025: 4,956 million yen (325.8%)

Fiscal year ended October 31, 2024: 1,191 million yen (-73.6%)

2. From the second quarter of the fiscal year ending October 31, 2025, a gain on investments in investment partnerships, which was previously recorded as non-operating income in the consolidated statement of income, is included in net sales. Accordingly, amounts for the year ended October 31, 2024 are amounts to which the reclassification based on the change in presentation policy is applied. The rates of increase (decrease) in net sales and operating profit of the fiscal year ended October 31, 2024 compared to the same period a year ago are not shown due to the reclassification based on the change in presentation policy.

	Profit per share	Diluted profit per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
October 31, 2025	18.85	–	3.1	35.9	40.2
October 31, 2024	29.28	–	5.2	10.2	21.0

(Reference) Share of profit of entities accounted for using equity method Fiscal year ended October 31, 2025: – million yen

Fiscal year ended October 31, 2024: – million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
October 31, 2025	14,425	11,892	47.1	621.96
October 31, 2024	13,114	11,323	48.1	578.29

(Reference) Equity As of October 31, 2025: 6,795 million yen

As of October 31, 2024: 6,314 million 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	Million yen	Million yen	Million yen	Million yen
October 31, 2025	5,410	-462	-4,623	5,843
October 31, 2024	-99	292	-77	5,519

2. Dividends

	Dividend per share					Total amount of dividends (Annual)	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended October 31, 2024	—	0.00	—	0.00	0.00	0.00	0.00	0.00
Fiscal year ended October 31, 2025	—	0.00	—	0.00	0.00	0.00	0.00	0.00
Fiscal year ending October 31, 2026 (Forecast)	—	0.00	—	0.00	0.00		0.00	

3. Forecast for Consolidated Financial Results for the Fiscal Year Ending October 31, 2026 (November 1, 2025 to October 31, 2026)
(Percentages below represent increases (decreases) from the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full Year	—	—	—	—	—	—	—	—	—

(Note) 1. Given the difficulty in reasonably predicting the timing and amount of gains or losses arising from the operations of the investment limited liability partnerships in which our group has invested, we have not disclosed consolidated earnings forecasts for the fiscal year ending October 2026.

* Notes

- (1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries resulting in a change in scope of consolidation): None
New: None Excluded: None

- (2) Changes in accounting policies, accounting estimates and restatement

- (i) Changes in accounting policies associated with revision of accounting standards: Yes
(ii) Changes in accounting policies other than (i): None
(iii) Changes in accounting estimates: Yes
(iv) Restatement: None

- (3) Number of shares outstanding (common stock)

- (i) Number of shares outstanding (including treasury shares)
As of October 31, 2025: 11,201,800 shares
As of October 31, 2024: 11,195,600 shares
(ii) Number of treasury shares at the end of the period
As of October 31, 2025: 276,106 shares
As of October 31, 2024: 276,106 shares
(iii) Average number of shares issued during the period
Fiscal year ended October 31, 2025: 10,920,061 shares
Fiscal year ended October 31, 2024: 10,919,494 shares

(Reference) Summary of non-consolidated results

1. Non-consolidated financial results for the fiscal year ended October 31, 2025 (November 1, 2024 to October 31, 2025)

(1) Non-consolidated operating results (Percentages below represent increases (decreases) from the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
October 31, 2025	3,580	37.5	-1,102	—	-209	—	-244	—
October 31, 2024	2,604	17.7	-165	—	277	-32.8	231	-63.0

	Profit per share	Diluted profit per share
Fiscal year ended	Yen	Yen
October 31, 2025	-22.35	—
October 31, 2024	21.22	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
October 31, 2025	8,135	6,221	75.2	560.31
October 31, 2024	7,765	6,175	78.4	557.81

(Reference) Equity

As of October 31, 2025: 6, 121 million yen

As of October 31, 2024: 6,091 million yen

* This summary of financial statements is not subject to the statutory review of certified public accountants or audit corporations

* Explanations and other special notes concerning the appropriate use of business results forecasts

(Notes on forward-looking statements)

The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors. For preconditions for the financial forecasts and points to note in the use of the forecasts, see “(4) Explanation Regarding Financial Results Forecasts and Other Forward-Looking Statements” under the section, “1. Qualitative Information on Financial Results for the Fiscal Year Ended October 31, 2025” on page 3 of the accompanying materials.

(How to obtain supplementary documents for quarterly results and details of the results briefing)

The Company will hold an online results briefing for institutional investors and analysts on Monday, December 15, 2025 using its web meeting system. The Company will post the details of the results briefing on its website as soon as it has been held.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Current Period

Our group is focused on growing our consulting business, centered on success-based consulting that incorporates an “investment phase” prior to paid contracts, and performance-based cost management consulting with one of Japan's strongest track records.

In performance-based cost management consulting, the business environment remains challenging as the impact of price increases driven by ongoing inflation continues to make cost reductions difficult to achieve. Conversely, demand for cost management services and for various forms of support for corporate activities where success-based fee models are difficult to apply remains high. To meet this demand, we have launched and are steadily expanding a new consulting service model: success-based fee consulting. This model incorporates an “investment phase” prior to fixed-fee contracts. As a result, the Consulting Business recorded net sales of ¥4,122 million (up 28.6% year-on-year) and an operating loss of ¥1,067 million (compared to an operating loss of ¥79 million in the same period of the previous fiscal year). Furthermore, as a result of aggressive recruiting to support business expansion, the number of employees at the end of the current consolidated fiscal year increased by 80 compared to the end of the previous consolidated fiscal year, reaching 329.

The Group will continue to grow its business by expanding its success-based consulting services and returning to a growth trajectory by rebuilding its performance-based cost management consulting services.

In the fund business, gains and losses were recorded due to the sale of shares held by Dolphin No. 1 Investment Limited Partnership. As a result, the fund business recorded net sales of ¥8,180 million (up 427.7% year-on-year) and operating income of ¥6,013 million (up 457.8% year-on-year).

As a result, for the current consolidated fiscal year, net sales were ¥12,302 million (up 158.7% year-on-year), operating income was ¥4,945 million (up 395.1% year-on-year), ordinary profit of ¥4,947 million (up 287.8% year-on-year), and net profit attributable to owners of the parent of ¥205 million (down 35.6% year-on-year).

Starting with the current fiscal year, the “Fund Business” is reported as the primary segment. Comparisons and analysis with the previous fiscal year are based on this revised classification.

(2) Overview of Financial Position for the Current Period

(Assets)

Total assets at the end of the current consolidated fiscal year increased by ¥1,310 million from the end of the previous consolidated fiscal year to ¥14,425 million.

Current assets increased by ¥406 million from the end of the previous consolidated fiscal year to ¥12,782 million. This was mainly due to increases of ¥324 million in cash and deposits and ¥100 million in operational investment securities, despite a decrease of ¥182 million in other current assets.

Non-current assets increased by ¥904 million from the end of the previous consolidated fiscal year to ¥1,642 million. This was mainly due to increases of ¥421 million in investment securities and ¥235 million in leasehold and guarantee deposits, despite a decrease of ¥30 million in goodwill.

(Liabilities)

Total liabilities at the end of the current consolidated fiscal year increased by 741 million yen from the end of the previous consolidated fiscal year to 2,532 million yen.

Current liabilities increased by 730 million yen from the end of the previous consolidated fiscal year to 1,664 million yen. This was mainly due to increases of 256 million yen in income taxes payable, 167 million yen in accounts payable, and 164 million yen in accrued expenses.

Non-current liabilities increased by 11 million yen from the end of the previous consolidated fiscal year to 867 million yen. This was mainly due to an increase of 115 million yen in asset retirement obligations and 113 million yen in deferred tax liabilities, despite a decrease of 219 million yen in long-term borrowings.

(Net Assets)

Net assets at the end of the current consolidated fiscal year increased by 569 million yen from the end of the previous consolidated fiscal year to 11,892 million yen. This was mainly due to an increase of 205 million yen in retained earnings due to the recording of profit attributable to owners of parent for the current period, and an increase of 269 million yen in valuation difference on available-for-sale securities.

(3) Overview of Cash Flows in the Current Period

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of the current consolidated fiscal year increased by 324 million yen from the end of the previous consolidated fiscal year to 5,843 million yen. The status of each cash flow and its

factors in the current consolidated fiscal year are as follows.

Net cash provided by (used in) operating activities

Net cash provided by operating activities was ¥5,410 million (compared to ¥99 million used in the previous fiscal year). This was mainly due to profit before income taxes of ¥4,955 million, despite an increase of ¥163 million in trade receivables.

Net cash provided by (used in) investing activities

Net cash used in investing activities was ¥462 million (compared to ¥292 million provided in the previous fiscal year). This was mainly due to expenditures of ¥261 million for the purchase of investment securities and ¥239 million for leasehold and guarantee deposits.

Net cash provided by (used in) financing activities

Net cash used in financing activities was ¥4,623 million (compared to ¥77 million used in the previous fiscal year). This was mainly due to ¥5,627 million in dividends paid to non-controlling shareholders, despite ¥1,350 million in proceeds from share issuance to non-controlling shareholders.

(4) Outlook

Demand in the domestic business consulting market remains robust, and inquiries to our company continue to be active across the digital, human resources development, and operations sectors. Consequently, steady sales growth is anticipated going forward. As a result, for the next consolidated fiscal year (ending October 2026), we forecast net sales of ¥5,256 million, an operating loss of ¥493 million, and a net loss attributable to owners of the parent of ¥521 million.

Regarding the fund business, however, it is difficult to reasonably predict the timing and amount of gains or losses arising from the management of the investment limited liability partnerships in which our group has invested.

For the reasons stated above, we are not disclosing consolidated earnings forecasts for the fiscal year ending October 2026.

Furthermore, the above earnings forecasts are based on information available as of the date of this document's release. Actual results may differ from the forecast figures due to various factors in the future.

2. Basic Policy on Selection of Accounting Standards

Taking into consideration the comparability of consolidated financial statements between periods and between companies, the Group will continue to use Japanese GAAP for the time being to prepare consolidated financial statements.

The policy is to prepare consolidated financial statements.

With regard to the application of International Financial Reporting Standards (IFRS), the Company's policy is to respond appropriately after considering various domestic and overseas circumstances.
are available.

3. Consolidated Financial Statements and Significant Notes

(1) Consolidated Balance Sheet

(Unit: Thousand yen)

	Previous Consolidated Fiscal Year (As of October 31, 2024)	current consolidated fiscal year (October 31, 2025)
Assets		
Current assets		
Cash and deposits	5,519,365	5,843,887
Accounts receivable and contract assets	457,891	621,550
Supplies	366	306
Operational investment securities	6,119,326	6,219,936
Other	279,813	97,274
Total Current Assets	12,376,764	12,782,955
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	76,954	397,305
Accumulated depreciation	-41,995	-99,161
Facilities attached to buildings, net	34,958	298,144
Tools, furniture and fixtures	21,381	141,168
Accumulated depreciation	-17,488	-70,978
Tools, furniture and fixtures (net)	3,893	70,190
Total property, plant and equipment	38,852	368,335
Intangible assets		
Goodwill	246,036	215,281
Software	10,503	1,345
Other	3,176	-
Total intangible assets	259,716	216,627
Investments and other assets		
Investment securities	205,111	626,322
Investments in capital	1,530	1,535
Deferred tax assets	31,800	26,385
Leasehold and guarantee deposits	115,592	351,302
Other	85,465	51,566
Total investments and other assets	439,500	1,057,111
Total fixed assets	738,068	1,642,074
Total assets	13,114,833	14,425,030
Liabilities		
Current liabilities		
Accounts payable	43,738	64,116
Current portion of long-term loans payable	219,200	219,200
Accrued expenses	234,404	401,925
Accrued expenses	264,092	428,930
Accrued consumption taxes, etc.	42,672	31,118
Income taxes payable	18,460	274,628
Provision for bonuses	64,099	53,893
Asset retirement obligations	-	34,000
Other	48,267	157,136
Total current liabilities	934,935	1,664,948
Non-current liabilities		
Long-term loans payable	777,000	557,800
Retirement benefit liability	16,498	17,776
Asset retirement obligations	15,079	130,855
Deferred tax liabilities	48,131	161,350
Total non-current liabilities	856,708	867,783
Total liabilities	1,791,644	2,532,732

(Unit: Thousand yen)

	Previous Consolidated Fiscal Year (As of October 31, 2024)	current consolidated fiscal year (October 31, 2025)
Net assets		
Shareholders' equity		
Capital stock	10,000	12,570
Capital surplus	4,031,851	4,034,421
Retained earnings	3,027,162	3,233,004
Treasury shares	-762,824	-762,824
Total shareholders' equity	6,306,189	6,517,172
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,441	278,188
Total accumulated other comprehensive income	8,441	278,188
Share options	84,685	99,802
Non-controlling interests	4,923,873	4,997,133
Total Net Assets	11,323,189	11,892,298
Total Liabilities and Net Assets	13,114,833	14,425,030

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statement of Income)

(Unit: Thousand yen)

	Previous Consolidated Fiscal Year (From November 1, 2023 to October 31, 2024)	current consolidated fiscal year (from November 1, 2024 to October 31, 2025)
Net sales	4,755,238	12,302,688
Cost of sales	2,289,911	4,770,818
Gross profit	2,465,326	7,531,869
Selling, general and administrative expenses	1,466,553	2,586,565
Operating income	998,773	4,945,304
Non-operating income		
Interest income	759	8,052
Subsidy income	238	10,450
Gain on investments in partnerships	273,418	737
Miscellaneous income	11,318	2,195
Total non-operating income	285,735	21,436
Non-operating expenses		
Interest expenses	5,133	8,567
Interest on bonds	60	-
Taxes and dues	3,052	7,386
Loss on retirement of non-current assets	-	3,176
Miscellaneous loss	339	0
Total non-operating expenses	8,585	19,130
Ordinary income	1,275,922	4,947,609
Extraordinary income		
Gain on reversal of share acquisition rights	-	7,685
Total extraordinary gains	-	7,685
Income before income taxes	1,275,922	4,955,295
Corporate, inhabitant and enterprise taxes	40,862	298,496
Adjustment of income taxes	40,906	-29,545
Total income taxes	81,769	268,951
Net income	1,194,153	4,686,344
Net income attributable to non-controlling interests	874,471	4,480,502
Net income attributable to owners of parent	319,681	205,842

(Consolidated Statement of Comprehensive Income)

(Unit: Thousand yen)

	Previous Consolidated Fiscal Year (From November 1, 2023 to October 31, 2024)	current consolidated fiscal year (from November 1, 2024 to October 31, 2025)
Net income	1,194,153	4,686,344
Other comprehensive income		
Valuation difference on available-for-sale securities	-2,279	269,747
Total other comprehensive income	-2,279	269,747
Comprehensive income	1,191,874	4,956,091
(Breakdown)		
Comprehensive income attributable to owners of parent	317,402	475,589
Comprehensive income attributable to non-controlling interests	874,471	4,480,502

(3) Consolidated Statement of Changes in Equity

Previous Consolidated Fiscal Year (from November 1, 2023 to October 31, 2024)

(Unit: Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the current period	10,000	4,031,851	2,707,481	-762,824	5,986,507
Changes during the current period					
Issuance of new shares (exercise of share options)					-
Net income attributable to owners of parent			319,681		319,681
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	319,681	-	319,681
Balance at end of current period	10,000	4,031,851	3,027,162	-762,824	6,306,189

	Accumulated other comprehensive income		Share options	Non-controlling interests	Total Net Assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at the beginning of the current period	10,720	10,720	50,108	4,019,356	10,066,692
Changes during the current period					
Issuance of new shares (exercise of share options)					-
Net income attributable to owners of parent					319,681
Net changes in items other than shareholders' equity	-2,279	-2,279	34,577	904,516	936,814
Total changes during period	-2,279	-2,279	34,577	904,516	1,256,496
Balance at end of current period	8,441	8,441	84,685	4,923,873	11,323,189

Current consolidated fiscal year (from November 1, 2024 to October 31, 2025)

(Unit: Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the current period	10,000	4,031,851	3,027,162	-762,824	6,306,189
Changes during the current period					
Issuance of new shares (exercise of share options)	2,570	2,570			5,141
Net income attributable to owners of parent			205,842		205,842
Net changes in items other than shareholders' equity					-
Total changes during period	2,570	2,570	205,842	-	210,983
Balance at end of current period	12,570	4,034,421	3,233,004	-762,824	6,517,172

	Accumulated other comprehensive income		Share options	Non-controlling interests	Total Net Assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at the beginning of the current period	8,441	8,441	84,685	4,923,873	11,323,189
Changes during the current period					
Issuance of new shares (exercise of share options)					5,141
Net income attributable to owners of parent					205,842
Net changes in items other than shareholders' equity	269,747	269,747	15,117	73,260	358,125
Total changes during period	269,747	269,747	15,117	73,260	569,108
Balance at end of current period	278,188	278,188	99,802	4,997,133	11,892,298

(4) Consolidated statement of cash flows

(Unit: Thousand yen)

	Previous Consolidated Fiscal Year (From November 1, 2023 to October 31, 2024)	current consolidated fiscal year (from November 1, 2024 to October 31, 2025)
Net cash provided by (used in) operating activities		
Income before income taxes	1,275,922	4,955,295
Depreciation	37,347	102,969
Amortization of goodwill	30,754	30,754
Share-based compensation expenses	34,577	24,720
Increase (decrease) in provision for bonuses	9,252	-10,205
Interest income	-759	-8,052
Interest expenses on loans and bonds	5,193	8,567
Loss (gain) on investments in partnerships	-273,418	-737
Gain on reversal of share acquisition rights	-	-7,685
Decrease (increase) in operating investment securities	-1,128,176	-100,609
Loss on retirement of non-current assets	-	3,176
Subsidy income	-238	-10,450
Decrease (increase) in trade receivables	-735	-163,658
Decrease (increase) in inventories	1,314	59
Decrease (increase) in prepaid expenses	14,228	32,979
Increase (decrease) in trade payables	-41,532	20,378
Increase (decrease) in accounts payable	108,517	154,695
Increase (decrease) in accrued expenses	-34,395	164,725
Increase (decrease) in accrued consumption taxes, etc.	-53,185	-11,553
Increase or decrease in advances received (Δ indicates decrease)	9,834	-3,172
Increase or decrease in deposits received (Δ indicates decrease)	-	112,041
Other	33,855	118,998
Subtotal	28,356	5,413,236
Interest and dividends received	759	8,052
Subsidies received	238	10,450
Interest paid	-4,882	-8,455
Income taxes paid	-124,040	-12,633
Net cash provided by (used in) operating activities	-99,569	5,410,650
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	-1,667	-261,451
Purchase of intangible assets	-3,150	-
Payments for purchase of investment securities	-	-2,585
Proceeds from distributions from investment partnerships	298,180	-
Payments for leasehold and guarantee deposits	-4,358	-239,868
Proceeds from collection of leasehold and guarantee deposits	5,753	3,999
Other	-2,500	36,995
Net cash provided by (used in) investing activities	292,257	-462,911
Net cash provided by (used in) financing activities		
Proceeds from long-term debt	42,000	-
Repayments of long-term debt	-69,800	-219,200
Payments for redemption of bonds	-80,000	-
Proceeds from contributions by non-controlling shareholders	1,225,841	1,350,299
Payments of distributions to non-controlling shareholders	-1,195,796	-5,627,749
Repayments to non-controlling shareholders	-	-79,793
Other	-	-46,773
Net cash provided by (used in) financing activities	-77,754	-4,623,217
Net increase (decrease) in cash and cash equivalents	114,932	324,521

Cash and cash equivalents at beginning of year	5,404,432	5,519,365
Cash and cash equivalents at end of year	5,519,365	5,843,887

(5) Notes to Consolidated Financial Statements

(Notes on Changes in Accounting Policies)

(Application of the "Accounting Standard for Corporation Tax, Residence Tax and Enterprise Tax")

The "Accounting Standard for Corporate Tax, Inhabitants Tax and Enterprise Tax, etc." (ASBJ Statement No. 27, October 28, 2022; hereinafter, the "2022 Revised Accounting Standard") has been applied from the beginning of the current consolidated fiscal year.

The amendments regarding the classification of income taxes (taxation on other comprehensive income) are in accordance with the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment stipulated in the proviso to Paragraph 65-2 (2) of the "Implementation Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022). This change in accounting policy has no impact on the consolidated financial statements.

(Notes on Changes in Presentation)

Our group company, Bullpass Capital Co., Ltd., operates a fund business. With the establishment of a new fund in April 2025, we plan to strengthen our efforts related to the fund business and expand our investment scale in the future. Therefore, management decision-making and performance evaluation related to the fund business are expected to become more important, and from the current consolidated fiscal year, we have independently classified the "fund business" as a main business and made it a reportable segment.

In accordance with this change, we previously recorded fund management expenses and gains and losses on sales as non-operating income and expenses. However, from the current consolidated fiscal year, we have changed the method of recording the amount of sales of operational investment securities and the amount of dividends received as net sales, the book value of securities sold and the expenses related to the sale as cost of sales, and fund management expenses as selling, general and administrative expenses. In the consolidated balance sheet, securities related to the fund business, which were previously included in "Investments and other assets" as "Investment securities," are presented as "Operational investment securities" under "Current assets" from the current consolidated fiscal year.

(Consolidated Balance Sheet)

¥6,119,326 thousand included in "Investment securities" under "Investments and other assets" in the previous consolidated fiscal year has been reclassified as "Operational investment securities" under "Current assets."

(Consolidated Statement of Income)

In the previous consolidated fiscal year, as a result of reclassifying "Gain on investments in investment partnerships" of ¥1,632,134 thousand under "Non-operating income" and "Investment partnership management expenses" of ¥272,454 thousand under "Non-operating expenses," "Net sales" increased by ¥1,550,192 thousand, "Cost of sales" increased by ¥188,423 thousand, and "Selling, general and administrative expenses" increased by ¥272,454 thousand. The reclassified "Gain on investments in investment partnerships" is ¥274,463 thousand.

Consolidated Statement of Cash Flows

In the previous consolidated fiscal year, "Depreciation" of ¥37,037 thousand, "Loss (gain) on investments in investment partnerships" of △¥1,632,134 thousand, "Other" of ¥32,376 thousand, and "Interest and dividend income received" of ¥100,759 thousand under "Cash flows from operating activities," and "Expenditures for acquisition of investment securities" of △¥1,232,210 thousand and "Proceeds from sale of investment securities" of ¥1,364,538 thousand under "Cash flows from investing activities" were reclassified. As a result, "Depreciation" of ¥37,347 thousand, "Loss (gain) on investments in investment partnerships" of △¥273,418 thousand, "Increase/decrease in operating investment securities (△ indicates increase)" of △¥1,128,276 thousand, "Other" of ¥33,855 thousand, and "Interest and dividend income received" of ¥759 thousand have been reclassified under "Cash flows from operating activities."

Notes on Changes in Accounting Estimates

During the current consolidated fiscal year, the Company resolved to relocate its head office and completed the relocation.

For non-current assets that are expected to become unusable due to the relocation of the head office, their useful lives have been shortened so that depreciation will be completed by the scheduled relocation date. In addition, in the current consolidated fiscal year, the estimated amount of asset retirement obligations, which were recorded as restoration costs associated with building lease contracts, has been changed because new information on restoration costs has become available, making a more precise estimate possible.

As a result of this change in estimate, operating profit, ordinary profit, and profit before income taxes for the current consolidated fiscal year each decreased by 50,291 thousand yen.

(Notes on Going Concern Assumption)

Not applicable.

(Notes to Segment Information, etc.)

<Segment Information>

1. Description of reportable segments

The reporting segments of the Group are components of the Group for which separate financial information is available and which are regularly reviewed by decision-making bodies, such as the Board of Directors, to determine the allocation of management resources and evaluate business performance.

Our group is comprised of segments by business type, and has two reportable segments: "Consulting Business" and "Investment Business".

As a result of reviewing the segment classification method in line with the establishment of a new fund, our group has changed its reportable segments from the previous single segment of "Consulting Business" to two segments: "Consulting Business" and "Fund Business."

Segment information for the previous consolidated fiscal year has been prepared based on the changed names and classification methods.

2. Method of Calculating Sales, Profit or Loss, Assets, Liabilities, and Other Items by Reportable Segment

The accounting methods for the reported business segments are generally the same as those described in "Material Matters that Serve as the Basis for Preparation of Consolidated Financial Statements."

Internal revenue and transfers between segments are based on market prices.

3. Information on Net Sales and Profit or Loss by Reportable Segment

Previous Consolidated Fiscal Year (from November 1, 2023 to October 31, 2024)

(Unit: Thousand yen)

	Total for operating segments			Adjustments	Amount recorded in consolidated financial statements
	Consulting business	Fund business	Total		
Net sales					
Revenues from external customers	3,205,046	1,550,192	4,755,238	-	4,755,238
Intersegment revenues or transfers	-	-	-	-	-
Total	3,205,046	1,550,192	4,755,238	-	4,755,238
Segment Profit or Loss (△)	-79,156	1,077,929	998,773	-	998,773
Segment assets	6,349,432	6,558,758	12,908,191	206,641	13,114,833
Other items					
Depreciation	37,037	310	37,347	-	37,347
Amortization of goodwill	30,754	-	30,754	-	30,754
Increase in property, plant and equipment and intangible assets	3,807	1,009	4,817	-	4,817

(Note) 1. The adjustment amount consists of corporate assets such as long-term investment assets that are not attributable to any reportable segment.

2. The total amount of reportable segment profit or loss (△) is consistent with the operating profit in the consolidated statements of income.

Current consolidated fiscal year (from November 1, 2024 to October 31, 2025)

(Thousands of yen)

	Total for operating segments			Adjustments	Amount recorded in consolidated financial statements
	Consulting business	Fund business	Total		
Net sales					
Revenues from external customers	4,122,392	8,180,296	12,302,688	-	12,302,688
Intersegment revenues or transfers	-	-	-	-	-
Total	4,122,392	8,180,296	12,302,688	-	12,302,688
Segment Profit or Loss (△)	-1,067,814	6,013,119	4,945,304	-	4,945,304
Segment assets	6,245,540	7,551,637	13,797,177	627,852	14,425,030
Other items					
Depreciation	102,359	609	102,969	-	102,969
Amortization of goodwill	30,754	-	30,754	-	30,754
Increase in property, plant and equipment and intangible assets					

(Note) 1. The adjustment amount consists of corporate assets such as long-term investment assets that are not attributable to any reportable segment.

2. The total amount of reportable segment profit or loss (△) is consistent with the operating profit in the consolidated statements of income.

<Related Information>

Previous Consolidated Fiscal Year (from November 1, 2023 to October 31, 2024)

1. Information by Product and Service

(Unit: Thousand yen)

	Consulting business	Fund business	Total
Revenues from external customers	3,205,046	1,550,192	4,755,238

2. Information by Region

(1) Net sales

This information is omitted because net sales to external customers in Japan account for more than 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

Omitted because property, plant and equipment in Japan account for more than 90% of property, plant and equipment on the consolidated balance sheet.

Omitted.

3. Information by Major Customer

(Unit: Thousand yen)

Customer Name	Net sales	Related Segment Name
CAC Corporation	1,450,192	Fund business

Current consolidated fiscal year (from November 1, 2024 to October 31, 2025)

1. Information by Product and Service

(Unit: Thousand yen)

	Consulting business	Fund business	Total
Revenues from external customers	4,122,392	8,180,296	12,302,688

2. Information by Region

(1) Net sales

This information is omitted because net sales to external customers in Japan account for more than 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

Omitted because property, plant and equipment in Japan account for more than 90% of property, plant and equipment on the consolidated balance sheet.

Omitted.

3. Information by Major Customer

(Unit: Thousand yen)

Customer Name	Net sales	Related Segment Name
ITOCHU Kenzai Corporation	3,100,000	Fund business
Meiwa Sangyo Co., Ltd.	1,490,000	Fund business
223 Co., Ltd.	2,792,099	Fund business

Information on Impairment Losses on Non-Current Assets by Reportable Segment

Previous Consolidated Fiscal Year (from November 1, 2023 to October 31, 2024)

Not applicable.

Current consolidated fiscal year (from November 1, 2024 to October 31, 2025)

Not applicable.

Information on Amortization and Unamortized Balance of Goodwill by Reportable Segment

Previous Consolidated Fiscal Year (from November 1, 2023 to October 31, 2024)

(Unit: Thousand yen)

	Reportable Segment			Total
	Consulting business	Fund business	Total	
Amortization of goodwill	30,754	-	30,754	30,754
Balance at end of current period	246,036	-	246,036	246,036

Current consolidated fiscal year (from November 1, 2024 to October 31, 2025)

(Unit: Thousand yen)

	Reportable Segment			Total
	Consulting business	Fund business	Total	
Amortization of goodwill	30,754	-	30,754	30,754
Balance at end of current period	215,281	-	215,281	215,281

Information on Gain on Negative Goodwill by Reportable Segment

Previous Consolidated Fiscal Year (from November 1, 2023 to October 31, 2024)

Not applicable.

Current consolidated fiscal year (from November 1, 2024 to October 31, 2025)

Not applicable.

(Per Share Information)

	Previous Consolidated Fiscal Year (From November 1, 2023 To October 31, 2024)	current consolidated fiscal year (From November 1, 2024 to October 31, 2025)
Net assets per share	578.29 yen	621.96 yen
Net earnings per share	29.28 yen	18.85 yen
Diluted earnings per share	- yen - sen	- yen - sen

Notes: 1. Diluted earnings per share is not presented because there are no potential shares with a dilutive effect.

2. The basis for calculating basic earnings per share and diluted earnings per share is as follows:

	Previous Consolidated Fiscal Year (From November 1, 2023 To October 31, 2024)	current consolidated fiscal year (From November 1, 2024 to October 31, 2025)
Net earnings per share		
Net profit attributable to owners of parent (thousands of yen)	319,681	205,842
Amount not attributable to common shareholders (thousands of yen)	-	-
Net profit attributable to owners of parent in respect of common stock (thousands of yen)	319,681	205,842
Average number of shares during the period (shares)	10,919,494	10,920,061
Diluted earnings per share		
Adjustments to net profit (thousands of yen)	-	-
Increase in common shares (shares)	-	-
(Of which, share options (shares))	(-)	(-)
diluted earnings per share because there is no dilutive effect. Outline of potential shares not included in the calculation of net income for the current period	Fifth Series of Share Options (3,108 share options (310,800 common shares)), Sixth Series of Share Options (1,780 share options (178,000 common shares)).	

(Significant Subsequent Events)

Not applicable.