

2. Dividend Status

	Annual dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
Fiscal year ended November 2025	Yen Sen -	Yen Sen 0.00	Yen Sen -	Yen Sen 0.00	Yen Sen 0.00
Fiscal Year Ending November 2026	-				
Fiscal year ending November 2026 (forecast)		0.00	-	0.00	0.00

(Note) Whether there have been any revisions to the most recently announced dividend forecast: None

3. Consolidated earnings forecast for the fiscal year ending November 2026 (December 1, 2025 to November 30, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Adjusted EBITDA		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen Sen
Full year	5,600	35.2	810	157.3	700	173.3	700	166.5	850	92.9	46.44

(Note) 1. Whether there have been any revisions to the most recently announced earnings forecast: None

2. Adjusted EBITDA = Operating profit + Depreciation and amortization + Share-based compensation expenses + Other one-time expenses

* Notes

(1) Significant changes in the scope of consolidation during the current quarterly consolidated cumulative period : None

(2) Application of accounting treatment specific to the preparation of quarterly consolidated financial statements : None

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

(i) Changes in accounting policies due to revisions to accounting standards, etc. : None

(ii) Changes in accounting policies other than those in (i) : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of issued shares (common stock)

(i) Number of issued shares at the end of the period (including treasury stock)

First Quarter of the Fiscal Year Ending November 2026	18,317,800shares	Fiscal year ended November 2025	16,748,700shares
(ii) Number of treasury shares at the end of the period	123shares	Fiscal year ended November 2025	123shares
(iii) Average number of shares during the period (cumulative for the quarter)	18,254,700shares	Q1 of the fiscal year ending November 2025	15,768,183shares

* Review by a certified public accountant or an audit firm of the accompanying quarterly consolidated financial statements : None

* Explanation of the proper use of earnings forecasts and other special notes

(Cautionary statement regarding forward-looking information)

Forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended as a promise by the Company that such statements will be achieved. Actual results and other outcomes may differ materially due to various factors.

(Regarding the availability of supplementary financial results materials and the contents of the financial results briefing)

The Company plans to hold a financial results briefing for institutional investors, analysts, and individual investors on Tuesday, April 14, 2026. The materials for this briefing will be disclosed on TDnet and posted on the Company's website.

oTable of Contents of the Attached Materials

1. Overview of Operating Results, etc.	5
(1) Overview of Operating Results for the current quarterly consolidated cumulative period	5
(2) Overview of Financial Position for the Current Cumulative Consolidated Quarterly Period	6
(3) Explanation of Forward-looking Information, Including Consolidated Earnings Forecasts	6
2. Quarterly Consolidated Financial Statements and Principal Notes	7
(1) Quarterly Consolidated Balance Sheet	7
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	8
Quarterly Consolidated Statement of Income. First Quarter-to-Date Consolidated Period	8
Quarterly Consolidated Statement of Comprehensive Income. First Quarter-to-Date Consolidated Period.....	9
(3) Notes to Quarterly Consolidated Financial Statements.	10
(Notes on Going Concern Assumption)	10
(Notes on Significant Changes in Shareholders' Equity)	10
(Notes to Quarterly Consolidated Statement of Cash Flows)	10
(Notes on Segment Information, etc.)	10
(Significant Subsequent Events)	12

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Current Quarterly Consolidated Cumulative Period

During the current first quarter-to-date consolidated period, the Japanese economy continued to recover moderately, supported by improvements in employment and income conditions, although some impacts of U.S. trade policy and geopolitical risks were observed. Meanwhile, the outlook remains uncertain due to prolonged inflation and fluctuations in financial and capital markets, among other factors.

In the content market in which the Group operates, the creator economy is expanding further due to more active personal information sharing and the growth of fan communities, including oshikatsu, while the market as a whole continues its expansion trend as the global rollout of IP originating in Japan accelerates and the government promotes the content industry as a key industry. In addition, while the spread of generative AI is broadening the base of creative activity, increases in spam content and copyright-related issues have also been pointed out, making it increasingly important to ensure platform reliability and safety.

Under these business conditions, the Group operates a media platform business centered on "note," a platform that enables creators to create, publish, and sell digital content while communicating with users, under the mission of "Start, Keep on Creating." In addition, the Group operates an IP and content creation business that generates outstanding original works and promotes their global expansion, as well as AI-related businesses that leverage AI to innovate content creation and distribution, with the aim of building a content distribution ecosystem for the AI era and becoming its hub.

As a result of these initiatives, net sales for the current cumulative first quarter of the consolidated fiscal year totaled 1,218,720 thousand yen (up 27.3% year on year). In addition, operating profit was 235,528 thousand yen (up 4,167.1% year on year), ordinary profit was 231,979 thousand yen (up 3,728.5% year on year), and quarterly profit attributable to owners of parent was 291,704 thousand yen (up 5,760.6% year on year).

Operating results by segment were as follows.

The Group's reportable segments were previously divided into two business segments: the Media Platform Business and the IP & Content Creation Business. However, following the launch of the AI-related Business from the first quarter of the current consolidated fiscal year, the Group reviewed its business segment classification and changed it to three business segments: the Media Platform Business, the IP & Content Creation Business, and the AI-related Business.

(Media Platform Business)

In the Media Platform Business, the Group is engaged in the operation of the CtoC media platform "note," the operation of "note pro," a media SaaS service for corporate information dissemination, and corporate services centered on initiatives such as corporate-sponsored contests on "note."

Regarding "note," the numbers of users and content on the platform have steadily increased through continuous functional improvements, and as of the end of February 2026, the cumulative number of registered members reached 11.78 million and the number of published content items reached 75.2 million. Gross merchandise value in the first quarter of the current consolidated fiscal year totaled 6,203 million yen (up 25.0% year on year) and remained at a high level. Regarding "note pro," the number of corporate users continued to increase as awareness among companies rose along with the growth of the note service, and ARR^(Note 1) as of the end of February 2026 was 780 million yen (up 33.0% year on year). In the corporate services business, "note Contest" projects remained firm due to the increase in the number of "note" users and other factors.

As a result, net sales of the Media Platform Business were 1,192,470 thousand yen (up 26.6% year on year). The breakdown was note net sales of 958,828 thousand yen (up 24.5% year on year), note pro net sales of 200,028 thousand yen (up 35.4% year on year), corporate services net sales of 24,300 thousand yen (up 31.0% year on year), and other net sales of 9,313 thousand yen (up 65.8% year on year). In addition, segment profit was 255,935 thousand yen (up 1,024.3% year on year).
(Note 1) ARR = Annual Recurring Revenue, calculated by multiplying MRR^(Note 2) for the last month of each quarter by 12.

(Note 2) MRR = Monthly Recurring Revenue, or monthly recurring revenue. MRR includes some optional fees in addition to the basic fee for note pro.

(IP & Content Creation Business)

In the IP and content creation business, we are engaged in agency services for creators' projects and works, content production and sales, and commissioned planning and content production for external companies. Tales & Co., Ltd.,

established in May 2024, is taking the lead in focusing on expanding the works it handles and their development through original work development and the strengthening of collaboration frameworks with creators.

As a result, net sales in the IP and content creation business were 13,580 thousand yen (down 14.1% year on year), and segment loss amounted to 4,719 thousand yen (compared with a segment loss of 1,507 thousand yen in the same period of the previous year).

(AI-related Business)

In the AI-related business, we are working to realize fair content distribution in the AI era and a new ecosystem in which compensation is returned to creators. Specifically, we are focusing on promoting the selected project under the generative AI development project "GENIAC," implemented by the Ministry of Economy, Trade and Industry and the New Energy and Industrial Technology Development Organization (NEDO).

As a result, net sales in the AI-related business were 14,706 thousand yen, and segment profit was 620 thousand yen.

(2) Overview of Financial Position for the Current Cumulative Consolidated Quarterly Period

(Assets)

Total assets at the end of the first quarter of the current consolidated fiscal year increased by 2,346,798 thousand yen compared with the end of the previous consolidated fiscal year, to 8,492,055 thousand yen.

Current assets increased by 2,360,556 thousand yen compared with the end of the previous consolidated fiscal year, to 7,460,232 thousand yen. This was mainly due to an increase of 2,228,497 thousand yen in cash and deposits and an increase of 137,772 thousand yen in other receivables.

Non-current assets decreased by 13,758 thousand yen compared with the end of the previous consolidated fiscal year, to 1,031,822 thousand yen. This was mainly due to a decrease of 87,600 thousand yen in investment securities and an increase of 74,539 thousand yen in deferred tax assets included in other under investments and other assets.

Liabilities

Total liabilities at the end of the first quarter of the current consolidated fiscal year increased by 32,478 thousand yen compared with the end of the previous consolidated fiscal year, to 3,299,085 thousand yen.

Current liabilities increased by 49,984 thousand yen compared with the end of the previous consolidated fiscal year, to 2,704,073 thousand yen. This was mainly due to an increase of 46,108 thousand yen in deposits received, among other factors.

Non-current liabilities decreased by 17,506 thousand yen from the end of the previous consolidated fiscal year to 595,012 thousand yen. This was mainly due to a decrease of 17,500 thousand yen in long-term borrowings, among other factors.

Net assets

Total net assets at the end of the first quarter of the current consolidated fiscal year increased by 2,314,320 thousand yen from the end of the previous consolidated fiscal year to 5,192,969 thousand yen. This was mainly due to increases of 1,050,484 thousand yen each in share capital and capital surplus, among other factors.

(3) Explanation of Forward-looking Information, Including Consolidated Earnings Forecasts

There has been no change to the full-year consolidated earnings forecast for the fiscal year ending November 2026 announced on January 13, 2026.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheet

(Unit: thousands of yen)

	Previous Fiscal Year (November 30, 2025)	First Quarter of the Current Fiscal Year (February 28, 2026)
Assets		
Current assets		
Cash and deposits	3,045,873	5,274,370
Trade notes and accounts receivable, and contract assets	268,210	294,278
Merchandise and finished goods	1,555	1,838
Work in process	835	1,742
Other receivables	1,632,431	1,770,203
Other	150,770	117,798
Total current assets	5,099,676	7,460,232
Non-current assets		
Property, plant and equipment	3,468	3,020
Investments and other assets		
Investment securities	768,980	681,380
Other	273,132	347,421
Total investments and other assets	1,042,112	1,028,801
Total non-current assets	1,045,580	1,031,822
Total assets	6,145,256	8,492,055
Liabilities		
Current liabilities		
Accounts payable	5,103	8,190
Current portion of long-term borrowings	70,000	70,000
Income taxes payable	2,560	747
Deposits received	2,087,363	2,133,472
Other	489,061	491,662
Total current liabilities	2,654,088	2,704,073
Non-current liabilities		
Long-term borrowings	612,500	595,000
Other	19	12
Total non-current liabilities	612,519	595,012
Total liabilities	3,266,607	3,299,085
Net assets		
Shareholders' equity		
Capital stock	84,874	1,135,359
Capital surplus	2,278,207	3,328,692
Retained earnings	431,797	723,502
Treasury stock	(69)	(69)
Total shareholders' equity	2,794,809	5,187,484
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,836	(46,690)
Total accumulated other comprehensive income	26,836	(46,690)
Share acquisition rights	57,002	52,175
Total net assets	2,878,649	5,192,969
Total liabilities and net assets	6,145,256	8,492,055

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

Quarterly consolidated statement of income

For the first quarter of the current consolidated fiscal year

	(Unit: thousands of yen)	
	For the first quarter of the previous consolidated fiscal year (From December 1, 2024 to February 28, 2025)	For the first quarter of the current consolidated fiscal year (from December 1, 2025 to February 28, 2026)
Net sales	957,626	1,218,720
Cost of sales	52,166	81,190
Gross profit	905,459	1,137,529
Selling, general and administrative expenses	899,939	902,001
Operating income	5,519	235,528
Non-operating income		
Interest income	837	4,265
Penalty income	2,537	4,919
Other	491	1,097
Total non-operating income	3,866	10,282
Non-operating expenses		
Interest expenses	88	4,094
Share issuance costs	2,805	9,736
Other	433	-
Total non-operating expenses	3,326	13,831
Ordinary income	6,059	231,979
Quarterly profit before income taxes	6,059	231,979
Income taxes - current	694	747
Income taxes - deferred	387	(60,473)
Total income taxes	1,081	(59,725)
Quarterly net income	4,977	291,704
Quarterly profit attributable to owners of parent	4,977	291,704

Quarterly Consolidated Statement of Comprehensive Income
For the first quarter of the current consolidated fiscal year

(Unit: thousands of yen)

	For the first quarter of the previous consolidated fiscal year (From December 1, 2024 to February 28, 2025)	For the first quarter of the current consolidated fiscal year (from December 1, 2025 to February 28, 2026)
Quarterly net income	4,977	291,704
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(73,526)
Total other comprehensive income	-	(73,526)
Quarterly comprehensive income	4,977	218,178
(Breakdown)		
Quarterly comprehensive income attributable to owners of the parent	4,977	218,178

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

On December 1, 2025, the Company received payment from NAVER Corporation through a third-party allotment, resulting in increases of ¥999,935 thousand each in share capital and capital reserve.

In addition, the issuance of new shares upon the exercise of stock options resulted in increases of ¥50,549 thousand each in share capital and capital reserve.

As a result, as of the end of the first quarter of the current consolidated fiscal year, share capital and capital surplus amounted to ¥1,135,359 thousand and ¥3,328,692 thousand, respectively.

(Notes to Quarterly Consolidated Statement of Cash Flows)

No quarterly consolidated statement of cash flows has been prepared for the first quarter of the current consolidated fiscal year. Depreciation and amortization (including amortization related to intangible assets) for the first quarter of the current consolidated fiscal year are as follows:

	For the first quarter of the previous consolidated fiscal year (from December 1, 2024 to February 28, 2025)	For the first quarter of the current consolidated fiscal year (from December 1, 2025 to February 28, 2026)
Depreciation and amortization	1,710Thousands of yen	447Thousands of yen

(Notes on Segment Information, etc.)

[Segment Information]

I. First quarter of the previous fiscal year (from December 1, 2024 to February 28, 2025)

Information on net sales and profit or loss by reportable segment

(Unit: thousands of yen)

	Reportable segments				Adjustments (Note 1)	Quarterly Consolidated Statement of income Amount recorded (Note 2)
	Media Plat Form Business	IP and Content Creation Business	AI-Related Business	Total		
Net sales						
Net sales to external customers	941,809	15,817	-	957,626	-	957,626
Intersegment sales or transfers	-	-	-	-	-	-
Total	941,809	15,817	-	957,626	-	957,626
Segment profit or loss	22,763	(1,507)	-	21,256	(15,736)	5,519

Note 1: The adjustment to segment profit or loss includes corporate expenses of ¥15,736 thousand that are not allocated to the reportable segments. Corporate expenses mainly consist of general and administrative expenses that are not attributable to the reportable segments.

2. Segment profit or loss is reconciled to operating profit in the quarterly consolidated statement of income.

II. For the first quarter of the current fiscal year (from December 1, 2025 to February 28, 2026)

1. Information on net sales and profit or loss by reportable segment

(Unit: thousands of yen)

	Reportable segments				Adjustments (Note 1)	Quarterly Consolidated Statement of income Amount recorded (Note 2)
	Media Plat Form Business	IP and Content Creation Business	AI-Related Business	Total		
Net sales						
Net sales to external customers	1,192,470	11,544	14,706	1,218,720	-	1,218,720
Intersegment sales or transfers	-	2,035	-	2,035	(2,035)	-
Total	1,192,470	13,580	14,706	1,220,756	(2,035)	1,218,720
Segment profit or loss	255,935	(4,719)	620	251,837	△16,308	235,528

Note 1: The adjustment to segment profit or loss includes corporate expenses of ¥16,308 thousand that are not allocated to the reportable segments. Corporate expenses mainly consist of general and administrative expenses that are not attributable to the reportable segments.

2. Segment profit or loss is reconciled to operating profit in the quarterly consolidated statement of income.

2. Matters Related to Changes in Reportable Segments

The Group's reportable segments were previously classified into two business segments: the "Media Platform Business" and the "IP and Content Creation Business." However, with the commencement of the "AI-related Business" from the first quarter of the current consolidated fiscal year, the Group reviewed its business segment classification and changed it to three business segments: the "Media Platform Business," the "IP and Content Creation Business," and the "AI-related Business."

(Significant Subsequent Events)

(Execution of a Capital and Business Alliance Agreement and Issuance of New Shares by Way of Third-Party Allotment)

At a meeting of the Board of Directors held on March 24, 2026, the Company resolved to enter into a capital and business alliance agreement with KADOKAWA CORPORATION (hereinafter referred to as "KADOKAWA") and to issue new shares by way of a third-party allotment with KADOKAWA as the proposed allottee (hereinafter referred to as the "Third-Party Allotment"), and entered into the agreement on the same date.

1. Purpose of the Capital and Business Alliance

By leveraging the synergies between the Company and KADOKAWA in platform operation and IP development, the parties aim to enhance medium- to long-term corporate value through multifaceted collaboration in the areas of IP creation and development, publishing DX, AI data distribution, and fan communities.

2. Overview of the Issuance of New Shares by Way of Third-Party Allotment

(1) Payment Date	April 9, 2026
(2) Number of New Shares to be Issued	1,000,000 common shares
(3) Issue Price	JPY 2,212 per share
(4) Amount of funds to be procured	¥2,196,000,000 (approximate net proceeds)
(5) Method of Allotment (Allottee)	By way of third-party allotment (KADOKAWA CORPORATION)
(6) Amounts of Increases in Stated Capital and Capital Reserve	Amount of increase in stated capital: ¥1,106,000,000 Amount of increase in capital reserve: ¥1,106,000,000
(7) Use of funds	① Investment funds for future M&A and capital and business alliances ② System development and human resource investment associated with this capital and business alliance ③ Repayment of existing borrowings to improve financial soundness

(Reduction in the Amount of Stated Capital)

At a meeting of the Board of Directors held on January 21, 2026, the Company resolved to submit a proposal regarding a reduction in the amount of stated capital to the 14th Annual General Meeting of Shareholders to be held on February 28, 2026; the proposal was approved and adopted at that Annual General Meeting of Shareholders, and became effective on April 10, 2026.

1. Purpose of the Reduction in the Amount of Stated Capital

Pursuant to Article 447, paragraph (1) of the Companies Act, the Company will reduce its stated capital for the purpose of ensuring flexibility and agility in its future capital policy, among other things.

2. Details of the Reduction in the Amount of Stated Capital

The Company will reduce stated capital by ¥2,237,335,050, which is the sum of ¥1,125,359,550 out of the stated capital of ¥1,135,359,550 as of February 28, 2026, plus ¥5,975,500, the amount of the increase in stated capital resulting from the exercise of share acquisition rights by the effective date, and ¥1,106,000,000, the amount of the increase in stated capital resulting from the third-party allotment, and transfer such amount to other capital surplus.

As a result, the amount of stated capital after the reduction will be ¥10,000,000.

3. Method of the Reduction in the Amount of Stated Capital

The total number of issued shares will remain unchanged, and the entire amount of the reduction in stated capital will be transferred to other capital surplus.

4. Schedule for the Reduction in the Amount of Stated Capital

(1) Date of resolution by the Board of Directors	January 22, 2026
(2) Date of resolution of the general meeting of shareholders	February 28, 2026
(3) Date of public notice for filing objections by creditors	March 3, 2026
(4) Final deadline for filing objections by creditors	April 3, 2026
(5) Effective date	April 10, 2026