

Ticker code: 1447



Matters related to consolidated financial results Matters related to consolidated financial results for the fiscal year ended March 2025 & business plans/growth potential

SAAF Holdings Co., Ltd.

June 27, 2025



# Agenda

- 1 Corporate Profile
- 2 Overview of Business Segment
- Consolidated financial results for the fiscal year ended March 2025
- 4 Recent Topics
- 5 Growth strategies, profit plans and preconditions
- 6 Recognized Risks and Countermeasures
- 7 Shareholder Return



## Corporate Profile as of March 31, 2025 (Board composition as of June 30, 2025)



Corporate name	SAAF Holdings Co., Ltd.		
	Representative Director & President	Naoyuki Sanada	
	Director & Chairman	Kiyoshi Matsuba	
	Director	Takehiro Sakaguchi	
	Director	Hiroshi Wada	
Board members	Outside Director	Isao Tsukamoto	
Board members	Outside Director	Chikako Morimoto	
	Outside Director	Kazunori Nakaoka	
	Standing Statutory Auditor	Yasushi Nishiyama	
	Outside Company Auditor	Fusao Mitani	
	Outside Company Auditor	Kenji Okada	
Description of business	Control and management of affiliated subsidiaries and group companies engaged in IT consulting, system development, system equipment sales, staffing & recruitment, ground investigation and improvement, ground guarantee, etc. and business incidental to or related to those operations.		
Capital	JPY 1,909 million (as of March 31, 2025)		
Establishment	October 1, 2018		
Listed stock exchange	Tokyo Stock Exchange Growth Market (ticker: 1447)		
Number of group companies	Consolidated subsidiaries 19, affiliated subsidiary 1 (as of March 31, 2025)		
Number of employees	2,328 on consolidated basis (as of March 31, 2025)		

## **Board of Directors**









Director & Chairman

Kiyoshi Matsuba



Director

Takehiro Sakaguchi



Hiroshi Wada

Director



Outside Director

Isao Tsukamoto



Chikako Morimoto



Outside Director

Kazunori Nakaoka





Yasushi Nishiyama







Kenji Okada

## **Corporate History**



2018 October	ITbook Co., Ltd. and Something Holdings Co., Ltd. established the company through a joint stock transfer. The company's common stock has been listed on the Tokyo Stock Exchange Mothers (currently the Growth Market).	2023 April	Acquired all shares of Geosign Co., Ltd., a consolidated subsidiary owned by Something Co., Ltd., consolidated subsidiary, and made it a direct subsidiary	
2019 June	Consolidated subsidiary Something Holdings Co., Ltd. acquires 100% of Earth Prime Co., Ltd.'s shares and makes it a consolidated subsidiary.	2023 October	An absorption-type merger was implemented in which NEXT Co., Ltd. (currently NXTech Co., Ltd.), consolidated subsidiary, as the surviving company and Front Applications Co., Ltd., consolidated subsidiary as the dissolved company.	
2020 February	Established ITbook Technology Co., Ltd. (currently NXTech Co., Ltd.) in Minato-ku, Tokyo.	2023 December	Acquired all shares of Mirai.inc., I-need Co., Ltd., and IST Inc. consolidated subsidiaries owned by ITbook Co., Ltd., consolidated subsidiary, and made them direct subsidiaries.	
2020 April	Transferred all shares of Data Technology Co., Ltd., SI Giken Co., Ltd., and RINET Co., Ltd. owned by ITbook Co., Ltd., consolidated subsidiary, to ITbook Technology Co., Ltd., (currently NXTech Co., Ltd.) consolidated subsidiary.	2023 December	Acquired all shares of GIR Co., Ltd. and Something Re Co., Ltd., consolidated subsidiaries,	
	An absorption-type merger was implemented in which ITbook Technology Co., Ltd., (currently		owned by Something Co., Ltd., consolidated subsidiary, and made them direct subsidiaries.	
2020 October	NXTeach Co., Ltd.), consolidated subsidiary, was the surviving company, and RINET Co., Ltd. and SI Giken Co., Ltd., the consolidated subsidiaries owned by ITbook Technology, were the dissolved companies.		An absorption-type merger was implemented in which Mirai.inc., consolidated subsidiary, as the surviving company and B&W Co., Ltd., consolidated subsidiary, as the dissolved company.	
2020 November	An absorption-type merger was implemented in which ITbook Technology Co., Ltd., (currently NXTech Co., Ltd.), consolidated subsidiary, was the surviving company, and Data Technology Co., Ltd. and Pronet Co., Ltd., the consolidated subsidiaries owned by ITbook Technology Co., Ltd. were the dissolved companies.	2024 March	An absorption-type merger was implemented in which Tokyo Application System Co., Ltd., consolidated subsidiary, as the surviving company and Tohoku ITbook Co., Ltd., consolidated subsidiary, as the dissolved company.	
2021 March	Acquired all the shares of NEXT Co., Ltd. (currently NXTech Co., Ltd.), consolidated subsidiary, owned by consolidated subsidiary ITbook Co., Ltd., making it a direct subsidiary and issuing new shares through third-party allotment with our Company as the allottee.	2024 April	An absorption-type merger was implemented in which NEXT Co., Ltd., (currently NXTech Co, Ltd.), consolidated subsidiary, as the surviving company and ITbook Technology Co., Ltd., consolidated subsidiary, as the resolved company.	
2021 March	Something Co., Ltd., consolidated subsidiary, acquired 100% of the shares of Geopro Co., Ltd. (currently kiipl≉ Co., Ltd.) and made it a consolidated subsidiary.	2024 April	Acquired all shares of Earth Prime Co., Ltd. held by Something Co., Ltd., consolidated subsidiary, and made it a direct subsidiary.	
2021 June	Implemented an absorption-type merger with Something Co., Ltd., consolidated subsidiary, as the surviving company and Something Holdings Co., Ltd. consolidated subsidiary, as the dissolved company.	2024 August	An absorption-type merger was implemented in which Mirai.inc., consolidated subsidiary, as the surviving company and Creed Performance Co., Ltd., consolidated subsidiary, as the dissolved company.	
2021 July			Changed trade name from ITbook Holdings Co., Ltd. to SAAF Holdings Co., Ltd.	
	name to "kiipl≉ Co., Ltd."		An absorption-type merger was implemented in which IT loan Co., Ltd., consolidated	
2021 July	An absorption-type merger was implemented in which ITbook Technology Co., Ltd. (currently NXTech Co., Ltd.), consolidated subsidiary was the surviving company and System House Wagaya Co., Ltd., consolidated subsidiary, owned by ITbook Technology Co., Ltd. was the dissolved		subsidiary, as the surviving company and Shinei-insurance Co., Ltd. consolidated subsidiary, as the dissolved company. Changed trade name from IT Loan Co., Ltd. to Shinei-insurance Co., Ltd.	
	company. Shinei-insurance Co., Ltd. was established in Tochigi City, Tochigi Prefecture with joint	2024 September	Consolidated subsidiary NEXT Co., Ltd. changed its name to NXTech Co., Ltd.	
2021 July	investment from our company and consolidated subsidiary ITloan Co., Ltd. (currently Shin-ei Insurance Service Co., Ltd.).	2024 December	Acquired all shares of YUSIN Co., Ltd. and made it a consolidated subsidiary.	
2021 July	Something Co., Ltd., consolidated subsidiary, acquired the shares (80%) of Tomei Co., Ltd. and made it a consolidated subsidiary.	2025 April	An absorption-type merger was carried out with consolidated subsidiary Tokyo Application Systems Co., Ltd. as the surviving company and consolidated subsidiary Cosmo Engineering Co., Ltd. as the disappearing company.	
2022 February	Head office moved to Koto-ku, Tokyo			

subsidiary and made them direct subsidiaries.

2023 March

Acquired all shares of Tokyo Application System Co., Ltd., Cosmo Engineering Co., Ltd. and Front

Applications Co., Ltd., consolidated subsidiaries, owned by ITbook Co., Ltd., consolidated

## **Vision**



Based on the Group's management philosophy, we will become a social problemsolving company that aims to achieve sustainable growth and a sustainable society.

SUSTAINABLE

Building medium- to long-term growth and social value

Aggressive investment in core businesses

NEW VALUE

The challenge of creating value and building a prosperous society

Developing human resources who take on challenges

**GOVERNANCE** 

Strengthening governance and reorganization to consolidated management

Building a new management system

Group management philosophy

Aiming to contribute to society by improving the efficiency and effectiveness of social infrastructure through ICT technology and digital transformation

(SAAF Holdings Group - Management Philosophy)



# Supporting society in a flexible manner.

Regional revitalization

Disaster prevention/mitigation



## Business segment results



		Sales Comp	osition Ratio
<b>Consulting Business</b>	We propose comprehensive reorganization and reconstruction of business and information systems to government agencies, private companies, etc., and support the achievement of organizational strategic goals and regional revitalization.	6.9%	
System Development Business	We develop web systems, market data systems, foreign exchange related systems, life insurance related systems, maintenance and operation, embedded development and equipment sales.	11.6%	Core Business Composition
Human Resources Business			95.8%
Ground Investigation & Improvement Business	We provide land surveys, land measurements, land improvement work, subsidence correction work, and retaining wall construction to house manufacturers and other builders.	57.0%	
Guarantee Inspection Business	We provide land guarantees, home completion guarantees and home inspection-related services to house manufacturers and other builders.	0.9%	
Construction Technology Business	We provide rental and sales services for GPS-equipped ground survey equipment such as the "GeoWeb System," as well as electronic certification services.	1.6%	Business to be Cultivated Composition
Overseas Business	Overseas Business  Investment, management and business development for group companies in Southeast Asia. We engaged in ground surveys, ground improvement, civil engineering works, residential construction contracting and related businesses in Southeast Asia.		Ratio 4.2%
Other Business	We are engaged in financial services, M&A advisory services, and data analysis services using drones.	0.7%	

Sales composition ratio by segment for the fiscal year ended March 31, 2025.

Consolidated Sales: JPY 28,855 million for the fiscal year ended March 31, 2025

## Review of business portfolio



**√**Consolidating segments into four core businesses will simplify business management and improve the efficiency of strategy planning.











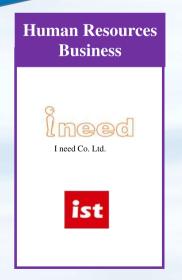














- \* 1. As announced in the "Notice regarding Changes to Reportable Segments" disclosed on May 15, 2025, the number of reportable segments will be changed from eight to four starting from the first quarter of the fiscal year ending March 31, 2026.
  - 2. "2. Business Segment Overview" in this document has been revised to include the four business segments. Please refer to page 44 for an overview of the performance for the fiscal year ending March 2025 for the "Assurance and Inspection Business," "Construction Tech Business," "Overseas Business," and "Other Businesses."



## Realizing a prosperous society through IT

Resolving regional issues and private company management issues through future-oriented marketing and creative consulting



ITbook Co., Ltd.

We provide new value to our clients' IT strategies through creative consulting.

#### Consulting for government

- ✓ Support for promoting digital transformation in local governments and information security measures
- ✓ Regional revitalization promotion support
- ✓ Business and system optimization planning support
- ✓ Open Data Promotion Support
- ✓ PMO promotion support

#### Consulting for independent administrative institutions

- ✓ Support for strengthening information security
- ✓ Support for optimization planning
- ✓ Support for system procurement



Mirai inc.

#### Let's work to create the future.

#### Consulting

✓ Resolving issues such as DX, AI, and IoT

#### Asset management

✓ A service that combines "business support" and "job creation"

#### Outsourcing

✓ Support for the formulation and implementation of strategies and plans for "urban development"

#### System integration

✓ Proposing optimal systems by combining cloud services

#### Attracting businesses and developing digital talent

✓ Developing teleworking talent that can adapt to various situations

#### Educational relipport and

- ✓ English conversation school
- ✓ Fitness gym management

## **Consulting Business**



#### 1. Summary of Performance and Strategy

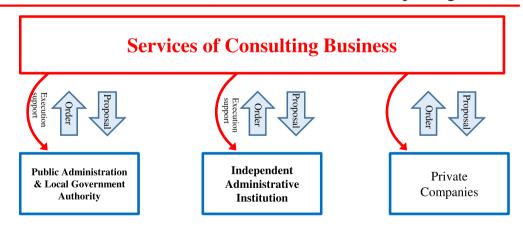
#### ✓ Business performance trends

- ITbook: Unable to recover from lost deals leads to lower revenue and profits
- ITbook: Recruiting consultants is being stepped up, but the target number of hires remains unmet
- Mirai: New business (system integration business)
- Earn revenue by receiving orders for developing super apps for local governments

#### ✓ Growth strategy progress, etc.

- Strengthen acquisition of projects in new markets (education, disaster prevention, operation and management assistance)
- Participate in support for the use of AI by local governments (RAG functions, etc.)
- Started considering new business ventures for regional revitalization (acquisition of business, paid job introduction, etc.)

#### 2. Revenue Structure (Transaction Relationship Diagram)



#### 3. Target Market

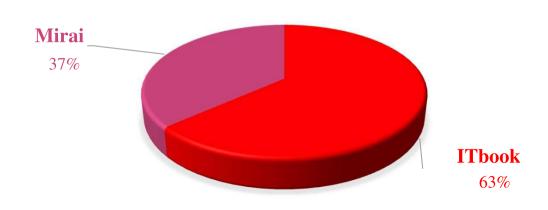
Digital-related business consulting market

2025 JPY 498.6 billion (prospect) \*\*
2020 JPY 133.7 billion

#### 4. Revenue Trend

	Unit: JPY million	2023/3	2024/3	2025/3
	Sales	1,741	1,929	1,994
	Segment profit/loss	359	272	249
(JPY	million) 2,100 —			400 (JPY million)
	2,000 —			350
	1,900 —			300
	1,800 —			250
	1,700 —			200
	1,600 —	_		150
	1,500 —			100
		2023/3	2024/3 202	25/3
		Sales	Segment profit/loss	

#### 5. Sales Composition Ratio



## **Consulting Business**



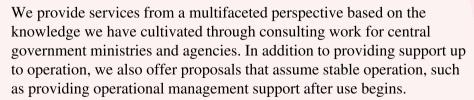
#### 6. Source of Competitiveness

#### We have extensive consulting tack records for government agencies

- Consulting services entrusted to over 300 government ministries and local governments
- We have a strong track record of doing business with prefectures and have received orders from 25 organizations.
- Supporting digital transformation, such as the introduction of governance clouds and the rapid spread of generative AI
- Providing advanced consulting and technical support services



# Promoting consulting for standardization and commonization of local government information systems



# Rapid response through building relationships and collaboration with system vendors and industry groups

- Certified as AWS Select Tier Service Partner
- Already a member of the Disaster Prevention DX Promotion Council and the Public-Private Partnership Platform for Eliminating Transportation Gaps



# Strengthened regional revitalization projects, focusing on the Hiroshima and Kumamoto prefecture areas

- Work related to Hiroshima Prefecture's key projects: PMO for the Waterworks Corporation and the New Hospital Project, planning and operational support for Hiroshima Wisdom Academy, support for promoting digitalization in mountainous areas, etc.
- We have a track record of continuous business transactions with Kumamoto Prefecture, Kumamoto City, and Amakusa City. We provide support for attracting companies, promoting industry, and BPO for administrative work.

#### We have diverse and specialized personnel

We have a diverse range of specialists covering 87% of the Japan Standard Industrial Classification, including many digital-related special public servants and those in similar positions from local governments.

## **Consulting Business**



#### 7. Growth Strategy

<Existing> Products <New>

#### **Market Penetration**

- ◆ Acquire multiple projects from existing customers and increase orders by strengthening retention
- ◆ Promote a small, elite team of excellent consultants and the use of AI. Expand the education system to improve the market-compatible skills of existing employees and support them in obtaining qualifications (especially AWS qualifications).
- ◆ Promote horizontal expansion of DX-related achievements with the aim of improving sales efficiency by introducing them to municipalities within the region, with prefectures as the main customers
- Create new projects and deepen relationships with local governments with which we have a track record of business attraction projects, such as industrial promotion, operation of shared office facilities, human resource development and introductions, etc.
- ◆ Continue to utilize media such as national and local newspapers, and increase exposure of in-house consultants by name, while also aiming to increase the number of university professors and various advisors hired.

#### **Product Development**

- ◆ Conduct study sessions with engineering consulting companies to develop and expand new services that can ensure stable profits
- ◆ In order to strengthen the acquisition of projects related to education, disaster prevention, and operational management assistance, we have collaborated with vendors and industry groups, and have been successful in receiving new orders for multiple projects.
- ♦ We have produced electronic textbooks and video content based on our experience with various training programs, and by starting to sell them on platforms affiliated with educational companies, we have seen an increase in entries and orders for DX training programs from local governments.

#### **Market Development**

- ◆ Entering into new markets such as supporting the use of AI (RAG function) unique to local governments, and strengthening collaboration with partner companies by holding study sessions
- ◆ Launch of consultant star strategy through joint digital marketing with vendor company (Oracle)
- ◆ Construction and operation of digital marketing platform started
- ◆ In response to the needs of local governments and other organizations for low-code development and in-house development of apps and systems, we have launched a contract development and implementation consulting service.
- ◆ Last year we gained new business experience with several local tourism companies, and from this year onwards we aim to further expand our business by horizontally deploying our business based on these achievements.

#### **Diversification**

- ◆ Using the problem-solving consulting business as a starting point, we will create synergy between the various segments of the group and generate high added value in various fields (we have a track record of collaboration with the human resources business and system development business).
- ♦ Aim to expand orders for a wide range of projects, including business strategy formulation, asset management utilizing idle assets in local areas, and outsourcing utilizing human resources
- ◆ Started considering new businesses in regional revitalization (acquisition of business opportunities, paid job introductions, etc.)



## Consulting Business Case Study







Supporting projects to improve the living environment in mountainous areas using

digital technology

Ongoing

#### [Overview]

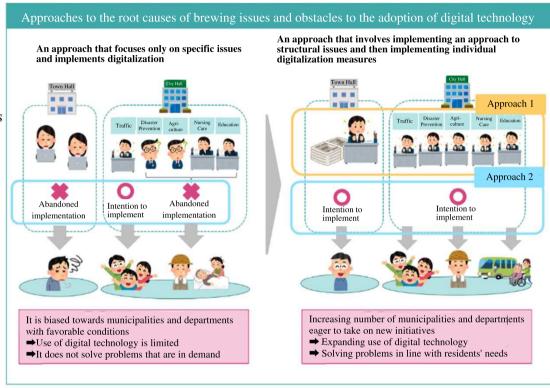
The project targets all mountainous and hilly areas in Hiroshima Prefecture, and since May 2022 has been supporting the prefecture in its quest to create "vibrant mountainous and hilly areas" by identifying issues facing these areas, matching solutions, and supporting model building.

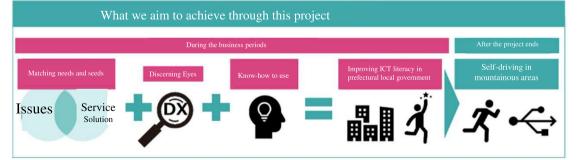
#### [Issue]

- Responding to population decline
- Improving convenience for local residents

#### Content of Support

- Uncovering the real issues through fieldwork
- An approach aimed at the root causes of impediments to the introduction of digital technology and structural issues
- Setting issues using the optimal framework to suit the actual conditions of each region
- Creating precedent cases while simultaneously creating a cycle of efficient proposals and implementation





## Consulting Business Case Study







#### Support for the realization of KUMAMOTO DX GRAND DESIGN

Ongoing

#### [Overview]

Kumamoto Prefecture formulated the "Kumamoto DX Grand Design" in 2021, which aims to "maximize the total happiness of the prefecture's residents," and is working together with industry, academia, and government to promote efforts to realize this vision.

As a private company, Mirai continues to provide support from the early stages of policy formulation, to the establishment of consortiums involving private companies, and to ensure steady penetration.

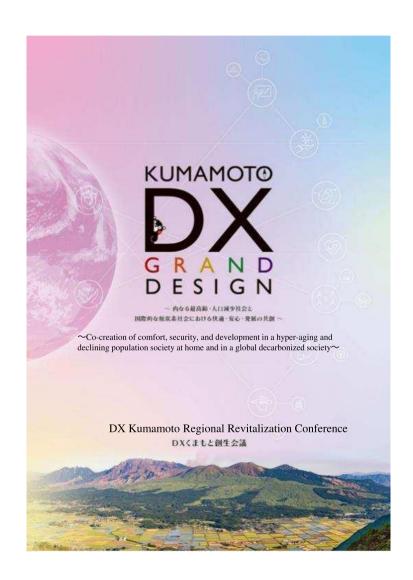
#### [Issues]

- Super-aging and declining population (low birthrate and aging population)
- Delays in digitalization and DX
- Strengthening responses to large-scale disasters and climate change
- Building a decarbonized society

#### **Content of Support**

In April 2022, Kumamoto Prefecture established a new "Digital Strategy Bureau" within the Planning and Promotion Department to promote digital initiatives both within and outside the prefecture.

From Mirai, CEO Seno has been appointed Digital Strategy Supervisor (director-level) to provide expert advice. Two other digital strategy specialists are providing advice and support on various digital initiatives.





## Realizing a digital society and innovation

Contribute to the community and society through new technologies such as IT and IoT, and lead Japan's "digital shift"



NXTech Co., Ltd.

#### A group of professionals who support our customers in utilizing ICT

#### **System Solution**

- ✓ Development of web applications, core business systems, and social infrastructure systems
- ✓ Cloud infrastructure services

#### **IoT Solution**

✓ IoT development related to architecture, civil engineering, environment, disaster prevention, agriculture, and healthcare

#### **Embedded Solution**

✓ Develop products and services with a wide range of embedded solutions for customers

#### **SES Contract**

✓ On-site support by engineers under SES contract

#### Dispatch Contract

✓ Dispatch engineers to customers under contract



Tokyo Application System Co., Ltd.

We aim to provide services that are closely tied to the local community and contribute to the local area through the recruitment of employees, and to operate a business that provides high employee satisfaction.

#### IT Sales

✓ Equipment sales, package software sales, cloud service sales

#### Software Development

- ✓ Proposal and development of business and web systems
- ✓ System consulting

#### Nearshore Development

✓ System development work carried out at the nearshore base (Niigata)

#### IT Infrastructure Construction

✓ Equipment, network, cloud service construction, security measures

#### Video Distribution Solution

- ✓ Streaming video distribution/live distribution
- ✓ Web production, commercial and video advertisement production



GeoSign Co., Ltd.

## **Building the future with open** innovation

#### System Solution

- ✓ Residential ground system solutions
- ✓ Home inspection system solutions
- ✓ BPR by reconstructing core business systems

#### Sensing

- ✓ GPS module development
- ✓ Surveying app development

#### Other

- ✓ 4Dkankan series (domestic sole distributor)
- ✓ Equipment sales and rentals



#### 1. Summary of Performance and Strategy

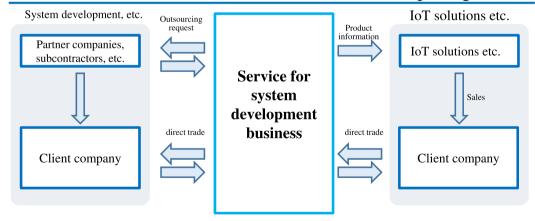
#### ✓Business performance trends

- NXTech: The difficulty in recruiting engineers continues, and the initial sales plan has not been achieved. Strengthened cooperation between business divisions through the merger is gradually materializing and contributing to business performance.
- Tokyo Application Systems: Nearshore lab business saw revenue increase due to increased staff and stable personnel.
- GeoSign (outside the system development business for the fiscal year ending March 2025):
   GeoWeb recurring billings are stable, and 4Dkankan rentals and orders are strong, leading to increased revenue and profits

#### √Growth strategy progress, etc.

- Customer centralization, training of personnel with an awareness of market demands, and development using AI
- Expand stable orders (nearshore, lab, SES, maintenance, etc.) and expand equipment sales
- Penetrate the current digitalization into the construction market to the point where it is considered "common sense in ground investigations"

#### 2. Revenue Structure (Transaction Relationship Diagram)



#### 3. Target Market

IT Market 2026 JPY 17, 100 billion (prospect) \*\*
2022 JPY 14, 160 billion

#### 4. Revenue Trend

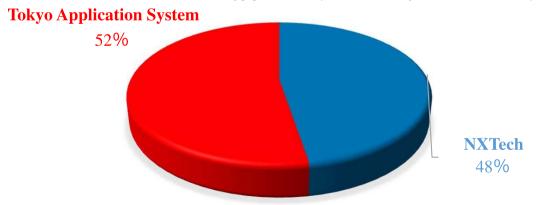
\*Figures before changes to business portfolio.

Unit: JPY million	2023/3	2024/3	2025/3
Sales	3,436	3,158	3,343
Segment profit/loss	130	203	272



#### 5. Sales Composition Ratio

\* Co-creation of comfort, security, and development in a hyper-aging and declining population society at home and in a global decarbonized society





#### 6. Source of Competitiveness

## True solution proposal

Our strength in knowing the sites and industries of each business allows us to propose "true solutions"

#### Owning our own products and services

We have independently developed and own our core IoT, IoT devices, and IT systems for civil construction, agriculture, the environment, and disaster prevention, which have realized a highly profitable business model.

#### Tactics to target a niche market

The company's strength lies in its strategy of gradually expanding vertically and horizontally by gaining a solid share in niche markets that large companies have difficulty entering.





#### Pipeline of talent

We will build career paths from dispatched engineers to contract development, as well as AI application development and consulting, to expand our business domain and grow as a comprehensive IT company.



#### High advantage due to pioneering entry

Secure a large market share through pioneering entry, such as the development of surveying applications using sensing technology.

Actively pursue alliances to incorporate cutting-edge technology and realize synergies.

# Affiliation of technical personnel with specialized knowledge of financial institutions, etc.

It is possible to approach FINTECH system development, where market size is expected to expand.

## Nearshore services that provide advanced technology while cutting costs

By collaborating with our on-site engineers and our nearshore base in Niigata, we are able to provide a stable supply of human resources and high-quality services.



#### 7. Growth Strategy

<Existing> Products <New>

#### **Market Penetration**

- ◆ Increase in the number of business partners
- ◆ Concentrate resources to achieve high unit prices and high profits by concentrating on existing high-value customers
- ◆ The utilization rate of GeoWebSystem in the geotechnical industry is about 50%, so there is room for market growth.
- ◆ Promoting digital transformation of current status surveying operations using AI-equipped 360° camera 4Dkankan
- ◆ Aiming to penetrate the construction market to the level of "common sense in ground investigations" like Microsoft Windows
- ◆ Stable profits are secured through cost-effectiveness and development track record by collaborating with resident engineers at clients and retaining excellent personnel at nearshore bases

#### **Product Development**

- ◆ Developed a new product, "Monitoring Carrier Pigeon," in the IoT/AI service, launched a new business using data, and updated the server system
- ◆ Implemented a strategy to expand sales partners, promote new products, and develop new business models for Cente (a service providing embedded development technology)
- ◆ Prevent customer loss by promoting product development and renewal that reflects customer requests
- ◆ By renewing the GeoWeb System, we have successfully implemented iOS compatibility and remote management functions, aiming for stable operation and the acquisition of new clients.

#### **Market Development**

- ◆ Aim to increase profits by simultaneously cutting intermediate costs and expanding the area by increasing commercial flow based on existing services
- Build an organization that is not limited to existing fields, such as proactively tackling new fields like the development of autonomous driving technology.
- ◆ Strengthening sales to construction companies and design consultants for public infrastructure such as railways, waterworks, waterways, and roads
- ◆ In order to expand business in the Gunma and Nagano areas where the Niigata business model has been deployed, we plan to hire dedicated sales personnel and develop systematic sales.
- ◆ We develop total support for our customers by leveraging our strength in all-in-one support (IT equipment and tool sales ⇒ infrastructure construction ⇒ system development ⇒ maintenance support).

#### Diversification

- ◆ Expand from SES business to contract development business, and further aim to develop AI-based contract development and original app/product development business
- ◆ Aim to shift to specialized technical engineers who handle contract development and AI development
- ◆ Continually explore new markets through agents and various events, aiming to launch new products.





## System Development Business Case Study



[Monitoring Carrier Pigeon] is a cutting-edge IoT service that protects the safety of construction sites.

Ongoing

Weather data display cloud system "Monitoring Carrier Pigeon"















Chosen in a variety of industries and on-sites!





Safety and health care systems that can be used at construction sites, sporting events, etc.







### (1) Heat stroke management program

✓ Monitoring the health status of workers, etc.

#### (2) Remote Worker Management Program

✓ Weather and health monitoring using GPS

#### (3) Well-being Support Program

✓ Measures stress and helps improve daily well-being





The Japanese version of the new product "4DKanKan Meta" has been released in the 4DKanKan® series of AI-equipped 360° cameras. It is expected to be used from a multifaceted perspective in a wide range of industries, including construction, entertainment, real estate, and plants.

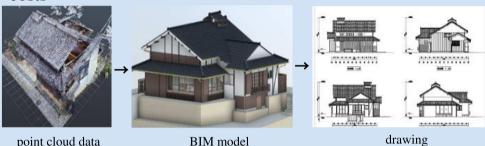


- ✓ SLAM scanning is also possible while walking by wearing the device on the body.
- ✓ Capable of shooting indoors and outdoors, in dark places, and in confined spaces
- ✓ 16K panoramic walkthrough of the entire site & point cloud data automatically composited onto the screen
- ✓ Equipped with a 905nm ultra-wide-angle LiDAR, it generates highly accurate 16K panoramas using point cloud data combined with a proprietary algorithm

Digitalization of current status survey

At the site, surveyors only take photos that are possible for one person and create survey drawings from the point cloud data taken.

Solving issues related to personnel shortages, schedules, and costs



Utilizing Metaverse
Technology

Metaverse technology "&Meta" creates a metaverse space based on data captured by 4DkanKan Meta.

Succeeded in further enhancing realism and immersion through overwhelming production speed and use of photographic data







## Supporting companies and society with people's power

We provide personnel services for specialized industries, such as manufacturing, logistics, and education.



I-need Co., Ltd.

Creating a company that can be a bridge between "people" and "people"

#### Staffing

- ✓ Securing the right talent when you need it
- ✓ Improve efficiency of expense and reduce expenses

#### Scheduled introduction dispatch

- ✓ Preventing employment mismatches
- ✓ Reduction of recruitment procedures and costs

#### Human resources introduction

✓ High-class personnel also available

#### Recruitment support

- ✓ Accelerating recruitment and improving quality
- ✓ Significantly reduce recruitment time



IST Inc.

## Let's develop human potential

#### Educational staffing

✓ Staffing services for educational institutions, including teachers and lecturers

#### Yoyogi Shingakukai

✓ Professional tutoring service

#### Y-ONLINE(Online instruction by Yoyogi Shingakukai)

✓ Online Tutoring System

## **Human Resources Business**



#### 1. Summary of Performance and Strategy

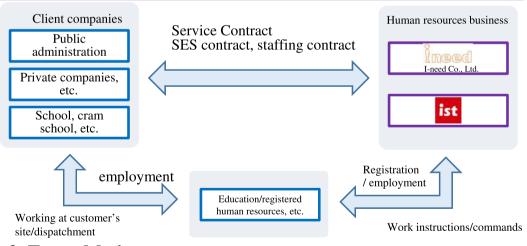
#### √Business performance trends

- I-need: Struggled to secure temporary staff in the first half of the year, but recovered in the second half, with sales remaining flat (99.9%) compared to the previous year. Profits fell as sales could not cover increased selling and administrative expenses.
- IST: Sales increased by 6.6% year on year due to strong performance in the EMPS business Profits fell due to failure to recover increased selling and administrative expenses caused by office relocation

#### √Growth strategy progress, etc.

- I-need: Focusing on new business (regionally-focused recruitment advertising agency)
  Establishment of an outbound call center for the purpose of developing new business
- IST: Online tutoring begins, on-campus prep school begins full-scale operation

#### 2. Revenue Structure (Transaction Relationship Diagram)



3. Target Market

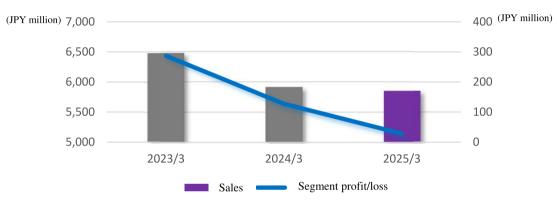
Human resource 2024 JPY 10,260 business market 2018 JPY

2024 JPY 10,260.2 billion (prospect) \*\*
2018 JPY 6,388.9 billion

#### 4. Revenue Trend

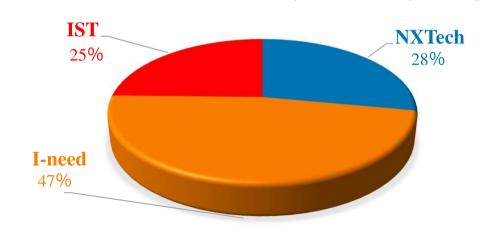
\*Figures before changes to business portfolio.

Unit: JPY million	2023/3	2024/3	2025/3
Sales	6,476	5,914	5,851
Segment profit/loss	287	127	28



#### 5. Sales Composition Ratio

\*These figures are before the change in business portfolio.



## **Human Resources Business**



#### 6. Source of Competitiveness

#### Specialized human resources services

Specializing in manufacturing/logistics related and educational personnel, etc. Strengthening temporary employment and personnel introduction services to meet customers' needs for full-time employees

#### Branding through centralization of base areas

Strength in cultivating business in the area with locally rooted factories, logistics warehouses, small and medium-sized enterprises, etc.



# Proposing solutions from both the staffing and recruitment industry and the recruitment and advertising agency industry

By entering the Okayama Prefecture local recruitment advertising agency business, we are able to provide one-stop services for all of your recruitment needs (recruitment advertising, temporary staffing, recruitment).

#### Professionals in Educational Human Resources

We have approximately 30 years of experience in the private tutoring business and in the staffing business for private educational institutions and educational corporations.



## Developing services that reflect the needs of the times

Develop services to meet the changing needs of educational personnel, such as online tutoring, on-campus preparatory schools, and club activity support

## **Human Resources Business**



#### 7. Growth Strategy

<Existing> Products <New>

#### **Market Penetration**

- ◆ Optimize gross profit margins and strengthen recruitment and temporary staffing services
- ◆ Establish an outbound call center in Funabashi, Chiba Prefecture for the purpose of new business development
- ◆ Expanding and strengthening advertising channels (implementing and analyzing SEM and SNS advertising)

#### **Product Development**

- ◆ From the perspective of our own assets, we are shifting from inhouse product development to sales agents
- ◆ EMPS (Osaka) is considering launching a human resources service for preparatory schools
- ◆ EMPS (Tokyo) is an in-house preparatory school, and has since taken off to full scale nationwide operation.
- ◆ Yoyogi Shingakukai Online Tutoring Full-Scale Launch

#### **Market Development**

- ◆ Deepen approaches to local factories, logistics warehouses, and small and medium-sized enterprises, aiming to expand market share within the area
- ◆ Entered into the online job advertisement sales agency business in Okayama Prefecture
- ◆ Yoyogi Shingakukai (private tutor) expanding sales channels from junior high school entrance exams to high school and university entrance exams

#### **Diversification**

- ◆ Reconsidering foreign talent business with an eye on intra-group synergies
- ◆ Continue to consider developing and selling our own products





## Supporting urban infrastructure from the ground

We can provide one-stop services within the group, including ground investigations, soil tests, improvement designs, ground improvement, and ground guarantees.



## **SOME** THING

Something Co., Ltd.

Aim at becoming a company that creates the future

#### **Ground Investigation**

✓ SWS test, boring survey, standard penetration test, plate load test

#### **Ground Improvement**

- ✓ Earth drill method (cast-in-place piles), large-diameter steel pipe piles, pile crushing and removal
- ✓ Columnar improvement, steel pipe, SFP method, Ecogeo method, Column Z method, etc. 16 types in total

#### **Ground Guarantee**

 Rapid collaboration with the guarantor company, GIR Co., Ltd.

Soil contamination investigation and countermeasure work

#### JS Drain and other products

- ✓ JS Drain/JS Drain Plus
- ✓ Heat shielding sheet ProX etc.



YUSIN Co., Ltd.

Piles support structures. Our lives depend on them.

#### Cast-in-place pile construction

- ✓ Earth drill method, bottom expansion pile, steel pipe concrete pile
- ✓ Full rotation all casing method (CD/RT method)
- ✓ BH method



EARTH PRIME.

Geological consultants who create a rich environment

#### Indoor soil testing

✓ Physical tests, chemical tests, consolidation tests, permeability tests, etc.

#### **Ground Investigation**

✓ Boring survey, standard penetration test, plate load test, etc.

Soil contamination investigation



GIR Co., Ltd.

Building security in daily life through the ground guarantee.

#### Ground Guarantee

✓ Ground guarantee "THE LAND"

Ground Investigation and Improvement

New construction quality inspection, home inspection, etc.



SOMETHING VIETNAM CO..LTD

Ground Investigation

Improvement

Civil Engineering Works



Toumei Co., Ltd.

A company specializing in ground construction that supports urban infrastructure

#### Cast-in-place pile construction

- ✓ TBH reverse circulation drilling method
- ✓ BH method
- ✓ Earth drill method

#### Ground Investigation

Boring surveys and standard penetration tests



#### 1. Summary of Performance and Strategy

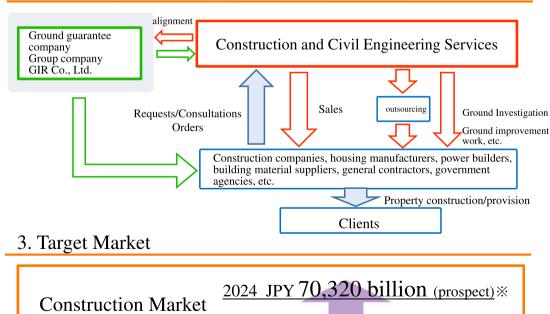
#### √Business performance trends

- Something: Sales increased 4% year on year due to increased sales of our main product, the SFP method (mainly for residential use), subsidence correction work, ground surveys, and new products.
- EARTH PRIME: Stable orders from major general contractors, sales increased by 5.5% year on year
- Toumei: Sales decline due to delays in construction schedules and withdrawals due to underground obstructions
- GIR: LAND sales increased year-on-year, but orders for renovation work, etc. fell √Growth strategy progress, etc.

#### v Growth strategy progress; etc.

- Increase unit price by surveying existing customers and negotiating construction prices
- Strengthen sales of surveying (4Dkankan) and land lot survey sets
- Improve profit margins by restructuring construction teams and reducing sales and administrative expenses

#### 2. Revenue Structure (Transaction Relationship Diagram)



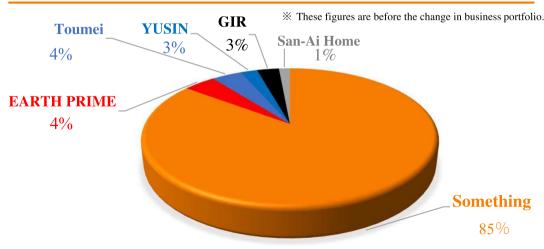
2020 JPY 66.444.8 billion

#### 4. Revenue Trend





#### 5. Sales Composition Ratio



\*\*As announced in the "Notice regarding changes in consolidated subsidiaries (share transfers)" dated December 17, 2024, we transferred all of our San-ai Home shares on January 6, 2025



#### 6. Source of Competitiveness

## A system that can handle all pre-construction processes in one go

We provide one-stop services from ground investigation, current survey, design review, ground improvement work, and ground guarantee without the hassle of a builder.

# Trusted and proven with over 36,000 cases per year

We provide services at 28 locations nationwide and have a strong track record and trust with over 22,000 buildings per year in ground investigations, over 13,000 buildings per year in ground improvement works, and over 10,000 buildings per year in guaranted guarantees.

### Select the most suitable construction method from a wide lineup for the ground conditions around the country

For ground improvement work, we have a wide lineup of products that match the needs of each customer and the ground, from 16 different methods, including certified methods.









## Testing results and quality for geotechnical materials

We have a system in place that allows us to carry out a wide variety of tests in geological surveys, which are important for construction. We are highly trusted by government agencies and major general contractors, and we also ensure quality.

#### Management of tamper-free on site data

The GeoWeb System, which is used in ground investigations and ground improvement work, allows onsite records to be reflected, enabling highly transparent reporting without falsification.

# Establishment of a construction system using machinery and craftsmen

We have established a construction system with a wide range of construction machines, such as earth drills and crawler lanes, and a large number of qualified craftsmen.

## Many achievements in infrastructure construction related to railways and roads

We have earned the trust of major general contractors by focusing on foundation pile construction work associated with railway quadrupling projects.



#### 7. Growth Strategy

<Existing> Products <New>

#### **Market Penetration**

- ◆ In the field of ground investigation and improvement work, we boast the industry's top-class number of orders and sales and are expanding our one-stop service in the pre-construction process and ensuring stable operation.
- ◆ Negotiate with existing customers to increase unit prices for surveys and construction
- ◆ Shift to major house manufacturers and strengthen sales of 4Dkankan surveys and land lot surveys as a set
- ◆ Specializing in railway-related civil engineering works and expanding business with major general contractors
- ◆ A flat price increase for soil testing due to rising material, labor, and transportation costs

#### **Product Development**

- ◆ Continuing research and development of new construction methods, etc. for medium- to long-term business growth
- ◆ Expansion of GX (Green Transformation Information) related service lines
- ◆ Realize cross-selling by utilizing sales capabilities to handle group products and new products, especially increase orders for heat shield sheets, JS drains, and Platinum nano-bubble UFB DUAL
- ◆ Development of new guarantee products targeted at niche areas

#### **Market Development**

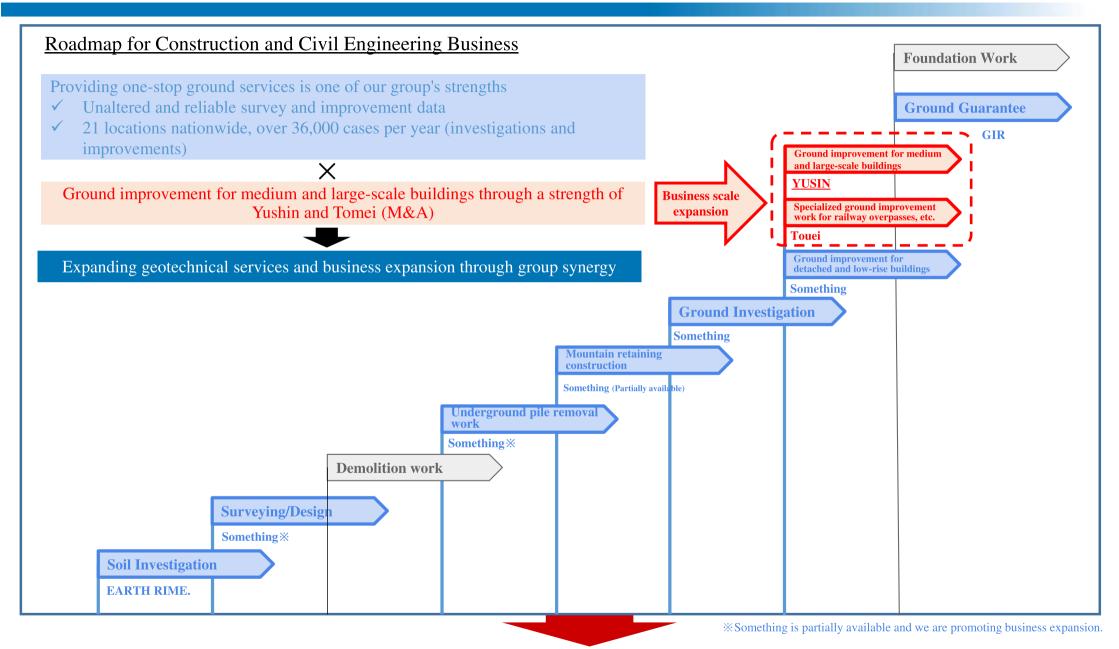
- ◆ Expanding the market to ground improvement for medium to large scale buildings with machinery and equipment and a system of qualified craftsmen
- ◆ Reduce labor costs and sales and administrative expenses by utilizing cutting-edge technologies such as AI and IoT. Introduce all construction management in-house and to all construction teams.
- ◆ Construction business license (well drilling and earthworks) granted, expanding scope of orders
- ◆ Aiming to expand the market in narrow areas and urban areas, where the earth drill construction machines owned by newly acquired subsidiary Yusin excel

#### **Diversification**

- ◆ We aim to increase orders in the disaster prevention market, where demand is increasing due to the recent increase in abnormal weather, by exhibiting at the Extreme Heat Countermeasures Exhibition, etc.
- ◆ Aim to achieve further synergy with our group's system development business, such as digitalization of surveying.







Building a system that can handle all pre-construction processes from start to finish



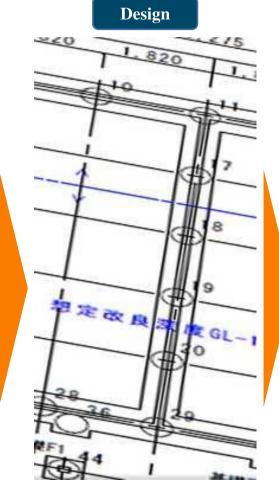


### Providing one-stop ground services

(Ground Investigation and Improvement Business)

- ✓ Safe and unaltered survey and improvement data
- ✓ 28 locations nationwide, over 36,000 cases per year (investigations and improvements)



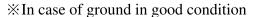


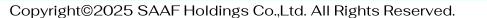












(Ground Investigation and Improvement Business)

# **SAAF**

**Ground Investigation Solutions** 





Preventing fraud and falsification of land number surveys

Released "GeoWeb System

- **✓** Visualize ground survey data
- ✓ Powerful encryption and cloud computing
- ✓ Web app enables instant data sharing between the office and the field

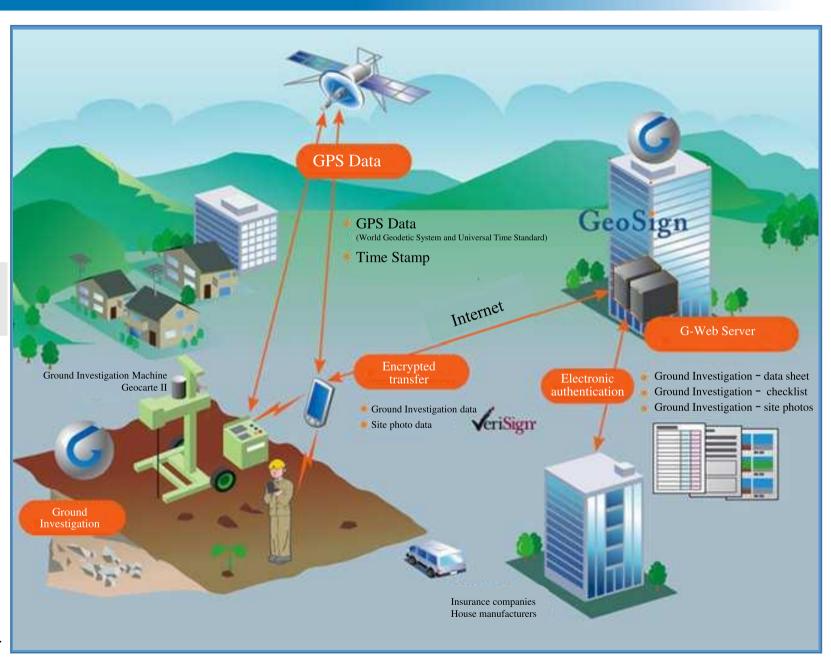


Standardization of ground investigation

Share rate

Approx. <u>55%</u> \*\*

\*\*According to surveyed by Geosign Co., Ltd.





## Aiming to expand the scope of cast-in-place concrete pile construction

- ✓ Measures to address the decline in housing starts
- ✓ Stabilizing profits through short-term projects to mid- to long-term projects

Residential ground ~ Ground improvement for small commercial facilities

Aiming to expand cast-in-place concrete piles

## Cast-in-place concrete piles



\*Column improvement method



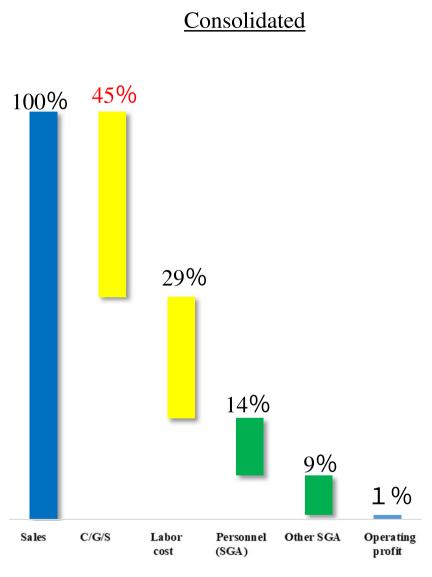
\*\*TBH method (cast-in-place concrete pile)

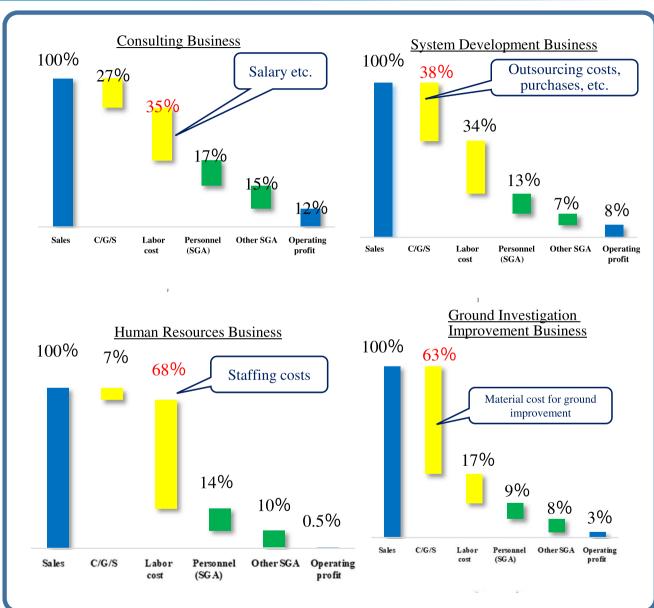


\*Earth drill method (cast-in-place concrete piles)

## **Earnings Structure (Core Business)**







- - 2. Notes for each segment list the main factors.



SAAF
3. Consolidated financial results for the fiscal year ended March 2025

## Financial Highlight for Fiscal Year ended March 31, 2025



Sales

JPY 28,855 million

Compared to the previous fiscal year

**1.4%** 

**Operating Profit** 

JPY 333 million

Compared to the previous fiscal year

**\$53.2%** 

Net Income attributable to shareholder of parent company

JPY \$\textstyle 129 million

Compared to the previous fiscal year

**81.4%** 

Sales

- A shortage of soil and sand (fill material) in Vietnam caused material prices to rise and delays in delivery, resulting in construction delays (overseas business)
- Year-on-year decrease even in the interim period, and delay in inspection projects scheduled for the second half of the year (Other businesses)
- Issues with growth rate of core business itself
- Profits fell due to lower sales and rising material costs (overseas business)

**Operating Profit** 

- Profits decreased due to decreased sales and increased selling and administrative expenses (Other businesses)
- Profits fell as rising labor costs (recruitment costs, etc.) could not be passed on to prices in time (Human Resources Business).

**Net Income** 

attributable to shareholder of parent company

 The company posted a deficit due to extraordinary losses incurred from the liquidation of SOMETHING HOLDINGS ASIA.

### Financial Results (Consolidated Profit and Loss Statement)

for the Fiscal Year ended March 31, 2025



(Unit: JPY million)

	FY ended March 2023	FY ended March 2024	FY ended March 2025	Compared to the previous fiscal year			o prospect※ rence)
	Actual	Actual	Actual	Increase/ decrease amount	Rate of change Increase / decrease	Prospected value	Progress rate
Sales	30,528	29,270	28,855	<b>▲</b> 414	<b>▲</b> 1.4%	31,300	92.2%
Gross profit	7,813	7,569	7,163	<b>▲</b> 406	<b>▲</b> 5.4%	_	_
Selling and administrative expenses	7,074	6,855	6,829	<b>▲</b> 26	▲0.4%	_	_
Operating profit	739	713	333	▲379	▲53.2%	1,090	30.6%
Ordinary profit	708	767	142	<b>▲</b> 624	▲81.4%	970	14.6%
Net profit/loss attributable to shareholders of parent company	162	183	<b>▲</b> 129	▲312		280	_

\*This figure is the planned value announced in the timely disclosure "Notice regarding revision of medium-term management plan" dated May 15, 2024.

### Financial Results for the Fiscal Year ended March 31, 2025

(Difference from original planed value)



(Unit: JPY million)		FY ending March 2025 (Expected value)	FY ended March 2025 Actual	Difference	
S	a l e	S	31,300	28,855	<b>▲</b> 2,444
	Operating profit		1,090	333	<b>▲</b> 756
	Ordinary profit		970	142	▲827
Net profit/loss attributable to shareholders of parent company			280	<b>▲</b> 129	<b>4</b> 09

#### [Main reasons for differences]

#### Sales

- 1. Overseas business (engineer dispatch)
  - ①Construction delays due to rising material prices and delayed deliveries caused by a shortage of soil (fill materials) in Vietnam
- 2. Other business
  - ①Year-on-year decrease even in the interim period, and delay in inspection projects scheduled for the second half
- 3. Human resources business
  - ①In the technical staffing business, due to the recent shortage of IT personnel, recruitment of staff has not progressed, affecting the acquisition of projects.
  - ②In the manufacturing and logistics-related temporary staffing business, the number of temporary staff secured was less than planned, resulting in results below the initial plan.
- 4. Ground investigation and improvement business
  - ①Lower than planned value for earth drill method (cast-in-place concrete pile method)
- 5. Consulting business
  - ①Although there are many opportunities to receive consulting orders, the shortage of consultants has led to the company giving up on receiving orders
- Operating profit, ordinary profit, and net income attributable to owners of parent
  - 1 Decrease in consolidated sales
  - ②Amount after deducting advisory fees and amortization of goodwill related to the acquisition of shares (approximately JPY ▲ 70 million) (acquisition of YUSIN Co., Ltd.)
- \*\*Please refer to the timely disclosure dated February 14, 2025, "Notice regarding the revision of the full-year earnings forecast and the revision of the year-end dividend forecast (no dividend), and the reduction of executive compensation."

## Financial Results for the Fiscal Year ended March 31, 2025 (Consolidated balance sheet)



✓ Reduce capital reserves and dispose of surplus funds (approved at the 6th Ordinary General Meeting of Shareholders held on June 25, 2024)

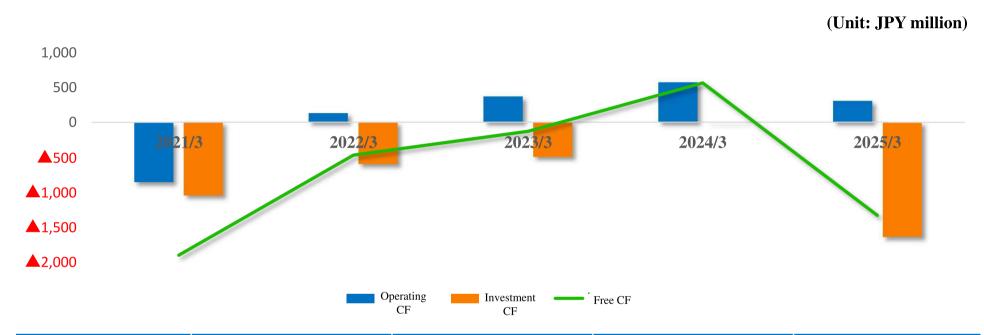
(Unit: JPY million)	FY ended March 2024	FY ended March 2025	YoY change	Main factors of increase/decrease
<b>Current Assets</b>	13,308	10,803	<b>▲</b> 2,504	Cash and deposits▲1,881
Fixed Assets	4,743	6,194	1,451	Fixed assets: Machinery and vehicles +803 Intangible fixed assets: Goodwill +1,119
<b>Deferred Assets</b>	0	0	0	
Total Assets	18,051	16,998	<b>▲</b> 1,053	
Current Liabilitie	s 11,848	9,510	<b>▲</b> 2,337	Short-term borrowings▲2,392
Fixed Liabilities	3,082	4,644	1,561	Long-term borrowings+1,559
Total Liabilities	14,931	14,154	<b>▲</b> 776	
Total Net Assets	3,120	2,843	<b>^</b> 277	Net loss attributable to owners of parent ▲129
<b>Total Liabilities and Net Assets</b>	18,051	16,998	<b>▲</b> 1,053	
Interest Bearing Debt	10,237	9,690		
Net D/E Ratio	1.81	1.77		
<b>Equity Capital</b>	2,895	2,648		
Equity Ratio	16.0	15.6		

## Financial Results for the Fiscal Year ended March 31, 2025 (Consolidated cashflow)



43

✓ Acquisition of shares in K.K. YUSIN has led to a significant increase in investment CF, while free CF turned negative.



(Unit: JPY million)	FY ended March 2023	FY ended March 2024	FY ended March 2025	YoY Change
<b>Operating Cashflow</b>	369	572	305	<b>▲</b> 267
<b>Investment Cashflow</b>	<b>▲</b> 498	<b>_</b> 5	<b>▲</b> 1,647	<b>▲</b> 1,641
Free Cashflow	<b>▲</b> 129	567	<b>▲</b> 1,341	<b>▲</b> 1,909
Financial Cashflow	<b>▲</b> 1,843	925	<b>▲</b> 405	<b>▲</b> 1,330
Cash equivalents at end of period	3,293	4,794	3,044	<b>▲</b> 1,750

## Financial Results for the Fiscal Year ended March 31, 2025

- Summary by Segment



	(Unit: JP)	Y million)	FY ended March 2023	FY ended March 2024	FY ended March 2025	YoY Change	Overview
		Sales	1,741	1,929	1,994	65	✓ITbook: ①Unable to recover from lost consulting contracts resulted in lower revenue and profits ②Despite increased recruitment of consultants, the number of hires is below expectations
	Consulting	Segment profit/loss	359	272	249	<b>▲</b> 23	✓Mirai: ①Revenue and profits increase due to business scale-up ②Received one contract for development of local government super app as planned
	System Development	Sales	3,436	3,158	3,343	184	√Difficulty in recruiting IT personnel √NXTech: Contributing to profits through thorough revenue management of projects
Core		Segment profit/loss	130	203	272	68	<ul> <li>✓Tokyo Application Systems: Ensuring stable revenue</li> <li>→ Near shore/laboratory business doing well</li> <li>→Building an organization with an awareness of cost budgets</li> </ul>
re Bı		Sales	6,476	5,914	5,851	<b>▲</b> 63	√NXTech (Engineer Dispatch): Difficulty in recruiting dispatched personnel (SE) and increased recruitment costs
Business	Human Resources	Segment profit/loss	287	127	28	▲98	<ul> <li>✓I-need: Struggled to recruit dispatched personnel in the first half, sales remained flat compared to the previous period         Starting structural reforms to increase profits (management, profit structure, new business, etc.)     </li> <li>✓Increased SG&amp;A expenses</li> <li>✓IST: Increased revenue due to favorable performance of EMPS business (educational personnel dispatch and introduction)         Increased SG&amp;A expenses such as relocation costs could not be covered, resulting in a decrease in profits     </li> </ul>
	Ground Investigation & Improvement	Sales	17,171	16,081	16,437	356	√Something: Increase in labor costs and manufacturing expenses Main product: Increase in sales of SFP construction method
		Segment profit/loss	653	533	524	<b>^</b> 9	Increased sales of subsidence correction work, ground investigation, and new materials  VEARTH PRIME: Increase in orders for general contractor projects VToumei: Sales declined due to multiple cases of withdrawals and changes in construction methods caused by schedule delays and underground obstacles VYUSIN: Included in the consolidation from the 4th quarter
	Guarantee	Sales	280	302	255	<b>▲</b> 47	✓ Sales decline due to sluggish housing market
Bu	Inspection	Segment profit/loss	3	2	103	100	<ul> <li>✓ Losses from guarantee reduced due to stable ground assessment (improved profits)</li> <li>✓ Promoting sales of new products "LAND-BIG" and "LAND-G"</li> </ul>
Business	Construction	Sales	480	445	453	8	✓ GeoWeb, a ground investigation and improvement system, is performing well, with an increase in development projects
6	Technology	Segment profit/loss	<b>_</b> 5	30	40	9	<ul> <li>✓ New business 4DKanKan is below target, but inquiries and rentals are going well</li> <li>→Increase in rental machines</li> </ul>
be Cı		Sales	551	931	289	<b>▲</b> 642	✓ The shortage of embankment materials required for construction work has had a major impact on material costs and construction period extensions.
Cultivated	Overseas	Segment profit/loss	4	<b>▲</b> 25	▲228	<b>▲</b> 203	✓ Strengthening of construction management system through introduction of management system and thorough in-house education
ted		Sales	388	506	231	▲275	✓ kiipl≉: Inspection projects scheduled for the second half of the year were delayed
	Other	Segment profit/loss	<b>▲</b> 183	<b>▲</b> 32	<b>▲</b> 101	<b>▲</b> 69	✓ M&A Max: Sales and profits decreased due to seller cancellations, etc.



## **Topics**



4Dkankan Conference on the latest technology and digital twin utilization - 4DKanKan Next Akiba '25 - held



May 15, 2025 Press Release

Digital twin technology is expected to see market expansion
Introducing the latest ways to use the AI-equipped 360-degree camera "4Dkankan"!

~Large-scale demonstration cases and technical lectures by major companies,
universities, etc.~

- · "Detective Conan Exhibition" Metaverse Project by Shogakukan Music & Digital Entertainment Co., Ltd.
- Application of evolved robots to space development Takenaka Corporation



Providing opportunities for new value creation through synergies within our group and collaboration with various industries

Mihama Town, Aichi Prefecture will hold "Mihama Sports Day"! Exercise experience using vital signs watch



March 12, 2025 Press Release

Creating new value by combining cutting-edge technology with sports programs that utilize nature and athletic facilities



At the "Mihama Sports Day" held by Mihama Town in Aichi Prefecture, where our group company Mirai Corporation is supporting sports town development, an exercise experience was conducted using the vital signs watch of the "Monitoring Carrier Pigeon Healthcare System" developed by NXTech.



Offering a wide variety of programs to suit a variety of usage scenarios Aiming to expand the market with a service that allows many people to use it for a specific purpose "Amakusa Studies" lecture series begins at Ibaraki University, focusing on the efforts of Amakusa City, Kumamoto Prefecture, to attract businesses to the city.



Arpil 15, 2025 Press Release

The city of Amakusa in Kumamoto Prefecture, which has been working on both the spread of teleworking and attracting businesses as a regional revitalization consulting firm, has launched a year-round course called "Amakusa Studies" at the national university, Ibaraki University.



The lecturers will be business owners from Amakusa City who have worked with Mirai on revitalizing the area, selected by Mirai, and will give lectures on the challenges and initiatives facing the local community in terms of population decline, the outflow of young people, and other issues in urban development.



Spreading the vision of the future of the region from Amakusa Aiming to build a more sustainable model of local society

Announcement of the start of sales agency business for "regionally-specific" job site "Joburu"



February 28, 2025 Press Release

Expecting synergy effects with the dispatch business for light work for the manufacturing and logistics industries, which is the main business

Joblu will start operations in Okayama Prefecture, one of the areas where it has strengths as a recruitment advertising medium, and where its Tsuyama sales office, which boasts the highest sales record on iNeed, is located.

Joble will start operations in Okayama Prefecture, one of the areas where it has strengths as a recruitment advertising medium, and where its Tsuyama sales office, which boasts the highest sales record on I-need, is located.





We aim to build a network with local companies and become a company with a wealth of information on people who are closely connected to the community.



SAAF

5. Growth strategies, profit plans and preconditions

## Review of the Previous Medium-term Management Plan



- ✓ Although the company has shifted from a sales-oriented management to a profit-oriented management and is actively streamlining unprofitable businesses, the company is on track to establish a foundation for profit generation, but business growth is falling far short of plan.
- ✓ Although the planned figures for the final fiscal year ending March 2025 were revised downwards, the outlook for the social situation of group companies and the lack of scrupulousness in formulating the planned figures were highlighted, resulting in the figures not being achieved.

#### Future challenges

- ✓ While the weakness of the earnings base remains an issue, going forward the company will aim to improve its operating profit margin and establish a stable cash generation system by reviewing its pricing strategy, improving productivity, and optimizing selling and administrative expenses.
- ✓ Non-core businesses that continue to be structurally unprofitable will be withdrawn from or reorganized, and management resources will be concentrated after optimizing business units. By reallocating limited capital to growth areas, we will simultaneously improve profitability and maximize capital efficiency.

		Pl	an		Actual Result					
	FY ended March 2023	FY ended March 2024	FY ended March 2025	FY ended March 2025 (plan revision)	FY ended March 2022	FY ended March 2023	FY ended March 2024	FY ended March 2025		
Sales	28,500	34,400	42,000	31,300	26,346	30,528	29,270	28,855		
Operating Profit	650	1,000	1,750	1,090	238	739	713	333		
Ordinary Profit	590	900	1,600	970	157	708	767	142		
Net income attributable to shareholders of parent company	370	500	1,000	280	<b>▲</b> 766	162	183	▲129		

## Review of the Previous Medium-term Management Plan



Group companies

- ✓ Core business: The discrepancy is noticeable even in the figures after the revision (ending March 2025)
- ✓ Overseas business: The shortage of embankment materials had a major impact. Issues in construction management were highlighted.
- ✓ Other businesses: We have been promoting new businesses, but they have resulted in lower revenues and profits (losses) → Review of business portfolio

Unit: JPY mil	lion	FY ended March 2023	FY en	ded March 2	024	FY ended M (refere		FY ended 2025 (plan		FY ended 2025 (A	
		Actual	Plan	Actual	Compared to previous FY	Plan	Compared to previous FY	Plan	Compared to previous FY	Plan	Compared to previous FY
Committies Descision	Sales	1,741	2,170	1,929	110.8%	2,650	138.1%	2,102	109.0%	1,994	103.4%
Consulting Business	Operating Profi	359	350	273	76.0%	480	175.8%	312	114.3%	249	91.4%
System Development	Sales	3,436	4,360	3,159	91.9%	5,150	161.5%	3,272	103.6%	3,343	105.8%
Business	Operating Profit	130	290	204	156.9%	400	196.1%	198	97.1%	272	134.0%
Human Resources	Sales	6,476	6,890	5,915	91.3%	7,950	133.0%	6,621	111.9%	5,851	98.9%
Business	Operating Profit	287	270	127	44.3%	380	299.2%	248	195.3%	28	22.6%
Ground Investigation &	Sales	17,171	18,170	16,081	93.6%	22,000	136.8%	17,006	105.8%	16,437	102.2%
Improvement Business	Operating Profit	653	690	534	81.8%	840	157.3%	234	43.8%	524	98.3%
Guarantee Inspection	Sales	280	390	303	107.9%	420	138.6%	320	105.6%	255	84.4%
Business	Operating Profit	3	40	2	66%	50	2304.1%	5	238.1%	103	4739.8%
Construction	Sales	480	800	445	92.6%	1,500	293.0%	507	113.9%	453	101.8%
Technology Business	Operating Profit	<b>\$</b> 5	180	30	_	380	1266.7%	41	136.7%	40	133.0%
Overseas Business	Sales	551	790	932	168.8%	1,200	127.1%	839	90.0%	289	31.1%
Overseas Business	Operating Profit	4	70	▲25	-	100	_	<b>▲</b> 2	-	▲228	-
Other Business	Sales	388	860	507	130.4%	1,140	201.8%	624	123.1%	231	45.7%
Other Busiliess	Operating Profit	<b>▲</b> 183	30	▲32	-	60		12	-	▲101	-
Consolidated	Sales	30,528	34,400	29,270	95.9%	42,000	143.5%	31,290	106.9%	28,855	103.4%
Consolidated	Operating Profit	739	1,000	714	96.6%	1,750	245.1%	1,086	152.1%	333	91.4%

<sup>\*\*</sup>The planned values for each segment for the fiscal year ending March 2025 are calculated values after consolidation.

The year-on-year comparisons shown for the fiscal year ending March 2024 are compared with the actual results for the fiscal year ending March 2023.

## Review of the implementation tasks of the previous mid-term business plan



implemente	issues to be ed for Medium- agement Plan	FY ended March 2023	FY ended March 2024	FY ending March 2025		Evaluation
Rebuilding the group's earnings structure	Liquidation and withdrawal of loss-making businesses/loss -making companies	Reduced the number of consolidated subsidiaries by approximately 50% from 42 companies	Reduced number of consolidated subsidiaries to be around 23	Optimization of consolidated subsidiary structure by segment	0	As of the end of March 2025, there were 19 consolidated subsidiaries
	Strengthening the profit structure of each company	Shifted from sales-oriented to operating profit-oriented	Shifted from operating profit management to contribution profit management	Shift to strengthening "earning power" using profitability relative to assets such as ROIC and EBITDA etc.	Δ	There are issues with profitability  Considering strengthening "earning power" as a group
	Strengthen business portfolio	Establishment and implementation of profitability evaluation system for each business and company	Promotion of directly controlling consolidated subsidiary through holdings	Implementation of strategic portfolio reinforcement for core businesses and strategic businesses	Δ	Reconstruct business portfolio in fiscal year ending March 2026
Reinforcement of group financial	Streamlining funds	Introduction of CMS and strengthening of investment monitoring by the Investment and Loan Committee	Expanding CMS and strengthening balanced cashflow management between operating cashflow and investment cashflow.	Applicable year of starting to pay dividend	×	<ul> <li>Dividend of JPY 6 revised to no dividend         Aiming to improve profitability and return profits to         shareholders as soon as possible</li> <li>Introduction of CMS improves financial flexibility within         the group</li> </ul>
structure	Improving capital mobility	Organizing syndication loan with the amount of JPY 6 billion.	Preparation to start dividend payments from each group company and introduction as appropriate	Shift to borrowing capacity management system based on EBITDA, etc.	Δ	The company's financial situation has improved due to dividends from subsidiaries It is necessary to improve the consolidated financial structure
	Enhancement of group business management function	Strengthening recruitment of business management specialists	Consolidation of management functions of each company to the group management headquarters of head office.	Strengthening the profit structure of each company. Linked with strengthening GP financial structure.	Δ	The construction of a group management system is progressing smoothly. There are issues with linking strengthening the profitability of each company with strengthening GP's financial structure.
Strengthening human capital/manag ement structure of	Strengthening group internal control system	Strengthening recruitment of internal audit specialists Establishment of J-SOX system	Started operation of compliance system in accordance with J-SOX	Strengthening cooperation between each company's auditors and the internal audit office	Δ	Deficiencies in the internal control system were discovered in the fiscal year ended March 2023, and improvements will be implemented in the fiscal year ended March 2024.  → Deficiencies to be resolved in the fiscal year ending March 2024
group	Strengthening group human resources functions	Strengthening the human resources department of the group headquarters Preparation of a unified evaluation system for management at each company Introduction of a group-wide training system	Consideration of job rotation system for group management Establishment of next-generation management training system	Starting next-generation management training system Starting the rotation of management layer	Δ	Although progress has been made in strengthening and sharing HR functions between groups and in-group training, the rotation of management has yet to be achieved.

## Outlook for Fiscal Year Ending March 2026

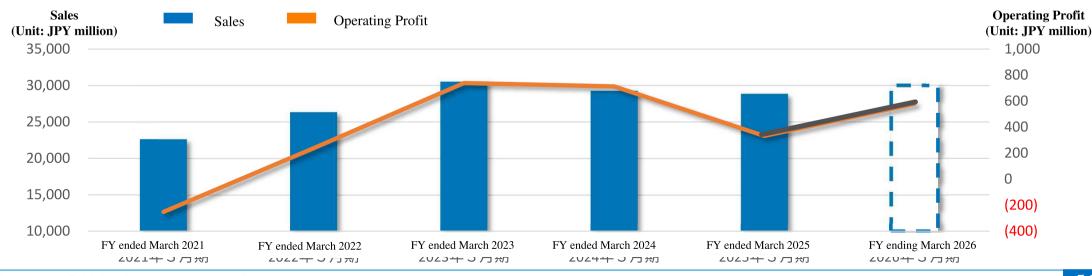


#### The results of the previous mid-term business plan fell far short of the initial plan.

We are currently formulating a new medium-term management plan that will enable us to determine the growth potential of the SAAF Group and the sustainable increase in corporate value that will lead to a recovery in profitability.

\*The main strategies for each segment for the fiscal year ending March 2026 are described on page 52.

(II-::4. IDV::11:)		FY ended Mar. 2024	FY ended Mar. 2025	FY ending Mar. 2026	Compared to previous FY	
	(Unit: JPY million)	Actual	Actual	Forecast	Increase/decrease amount	Increase/decrease rate
	Sales	29,270	28,855	30,000	1,145	4.0
	Operating Profit	713	333	580	247	73.7
	Ordinary Profit	767	142	380	238	166.1
	Net profit/loss attributable to owners of parent	183	<b>▲</b> 129	110	239	_



## Business Strategy for the Fiscal Year Ending March 2026



Business Segment	Content
whole group	<ul> <li>Efficiency and speed through subsidiary consolidation</li> <li>Improved business efficiency through consolidation of group management departments and introduction of AI and IoT technology</li> <li>Shift from sales-focused management to profit-focused management</li> </ul>
Consulting Business	<ul> <li>Started building and operating a digital marketing platform (ITbook)</li> <li>Strengthened acquisition of projects in new markets (education, disaster prevention, operational management assistance) (ITbook)</li> <li>Entered into AI utilization support for local governments (RAG functions, etc.) (ITbook)</li> <li>Expanded functions of local government super apps and strengthened sales to increase orders (Mirai)</li> <li>Launch of new businesses (matching business, acquisition of designated management/PPP/PFI projects, etc.) (Mirai)</li> <li>Proactively entered into AI-related service planning and implementation projects for local governments (Mirai)</li> </ul>
System Development Business	<ul> <li>Customer concentration, training of personnel with awareness of market demands, development using AI (NXTech)</li> <li>Improvement of engineers' technical capabilities and added value (AI / cloud strengthening) (NXTech)</li> <li>Increase in stable orders (nearshore, lab, SES, maintenance, etc.), expansion of equipment sales (Tokyo Application System)</li> <li>Increase in base by negotiating higher unit prices (Tokyo Application System)</li> <li>Improve productivity by using AI in internal operations, development/construction work, and sales support work (Tokyo Application System)</li> <li>Increase in penetration of the construction market to the level of "common sense in ground investigations" such as current digital transformation (Geosign)</li> </ul>
Human Resources Business	<ul> <li>New business: Agency business for selling online job ads (I-need)</li> <li>Improvement of rising labor costs (introduction of dispatch management system, performance-linked goals, etc.) (I-need)</li> <li>Establishment of a new outbound call center for the purpose of new business development (I-need)</li> <li>EMPS business: Full-scale operation of on-campus prep school, nationwide expansion specializing in referral business (IST)</li> <li>Yoyogi Shingakukai: Launch of online tutoring, expansion of sales channels to high school and university entrance exams (IST)</li> </ul>
Construction and Civil Engineering Business	<ul> <li>Increased unit price: Negotiated survey and construction prices with existing customers (Something)</li> <li>Improved profit margins by restructuring the construction team and reducing sales and general administrative expenses (Something)</li> <li>Selling survey and investigation sets (4Dkankan) to house manufacturers (Something)</li> <li>Increased order volume by obtaining construction business license (well drilling and scaffolding) (EARTH PRIME)</li> <li>Implemented a flat-rate increase in soil testing prices due to rising material, labor, and transportation costs (EARTH PRIME)</li> <li>Aimed to share rebar processing projects between Toumei and YUSIN (Toumei and YUSIN)</li> </ul>

\*We have excerpted and added some content from "6. Growth Strategy" for each segment listed in "2. Business Segment Overview" on pages 9 onwards.

## **Investment Strategy (1)**



Classification	Overview	Investment amount (planned) Unit: JPY million	Investment results Unit: JPY million	Initially scheduled timing
Ground Investigation and Improvement Business	Purchase cost of large construction machine (GI130) and construction machine	155	155	2022 March ∼ 2025 March
Ground Investigation and Improvement Business	New store opening costs for the purpose of expanding into the Hokuriku Shinetsu area	50	50	
Human Resources Business (NXTech)	Costs associated with increased recruitment of temporary staff→ Investments to be considered while monitoring business performance trends for the fiscal year ended March 2023	24	24	2022 March ~ 2023 March
System Development Business (NXTech)	Recruitment costs for business expansion	30	30	
System Development Business (Tokyo Application System)	Expenses for recruiting personnel to strengthen the organization (expansion of nearshore lab/SES business, human resource development, area expansion) and expenses for expanding the current highly profitable business model to the Gunma and Nagano areas	30	30	2022 March ~ 2025 March
Consulting Business (Mirai)	Expenses for opening new satellite offices and recruiting personnel to expand and strengthen our service areas	50	50	2022 March ∼ 2023 March

<sup>× 1.</sup> The use of funds is stated in the "Notice regarding issuance of new shares through third-party allotment" announced on March 14, 2022.

<sup>2.</sup> The use of funds has been partially changed in the "Notice regarding change in use of funds" announced on August 23, 2023.

## **Investment Strategy (2)**



Classification	Overview	Investment amount (planned) Unit: JPY million	Investment results Unit: JPY million	Initially scheduled timing
SAAFHD Group	The cost for constructing integrated customer database and expanding web service in order to enlarge business.	50	9	2022 September ~ 2025 March
Something	Business feasibility study for new business (crushing work) and associated equipment costs.	35	35	2022 September ~ 2025 March
San-ai Home ※4	Acquisition costs of real estate for sale, etc.	200	200	2022 September ~ 2024 March
EARTH PRIME	Head office relocation costs, etc. related to the integration of the Technology Center (Kitaiwaoka, Tokorozawa City, Saitama Prefecture) and Materials Center (Nakatomi, Tokorozawa City, Saitama Prefecture)	252	_	2022 September ~ 2026 March
SAAFHD	Construction-related M&A expenses that are expected to have a synergistic effect with the Group's existing businesses	380	380	2022 September ~ 2026 March
NXTech %5	Recruitment costs for expanding business scale, costs involved in developing new products such as architecture/civil engineering IoT, environment/disaster prevention IoT, healthcare IoT, etc. and costs for expanding sales of our own IoT services overseas (ASEAN market).	77	_	2023 April ~ 2026 March

<sup>\* 1.</sup> The use of funds is stated in the "Notice regarding issuance of new shares through third-party allotment" announced on March 14, 2022.

<sup>2.</sup> The use of funds has been partially changed in the "Notice regarding change in use of funds" announced on August 23, 2023.

<sup>3.</sup> We have made some changes to the use of funds in the timely disclosure dated December 17, 2024, "Notice regarding change in use of funds."

<sup>4.</sup> As stated in the timely disclosure dated December 17, 2024, "Notice regarding changes in consolidated subsidiaries (transfer of shares)," we transferred all of our San-ai Home shares on January 6, 2025.

<sup>5.</sup> As stated in the timely disclosure dated December 24, 2024, "Notice regarding the Acquisition and Cancellation of the Fourth Series of Stock Acquisition Rights," and the timely disclosure dated December 27, 2024, "Notice regarding the Completion of the Acquisition and Cancellation of the Fourth Series of Stock Acquisition Rights," we have acquired and cancelled the remaining stock acquisition rights. The funds to be used from the exercise of the stock acquisition rights will be funded by our own funds and bank loans, etc.



# 6. Recognized Risks and Countermeasures

## Major Risks and Countermeasures



Business segments, etc. to be affected	Major Risk	Possibility of manifestation / timing	Degree of impact if it becomes apparent	Risk Countermeasures
Construction and Civil Engineering Business	Possibility of receiving claims for large amounts of damages due to unforeseeable defects or construction defects caused by gross negligence, as well as investigation errors, etc.	Medium likelihood / Medium to long term	High impact	<ul> <li>Use of high-quality construction methods with few construction defects and development of new construction methods</li> <li>Utilization of insurance</li> </ul>
Construction and Civil Engineering Business	Possibility of receiving large amounts of compensation and claims for guarantee damages due to causes that cannot be foreseen even with current investigation technology, overlooking investigation data due to gross negligence, and examination errors, etc.	Medium likelihood / Medium to long term	High impact	<ul> <li>Building a strong review system (recruiting and training experienced personnel, etc.)</li> <li>Utilizing databases, etc.</li> </ul>
<ul> <li>Consulting Business</li> <li>System Development Business</li> <li>Construction and Civil Engineering Business</li> </ul>	Regarding information security, in the unlikely event of an information leak, there is a possibility that a contract for the relevant business may be terminated or that we may be sued for damages due to a complaint from a customer, etc.	Low likelihood / Medium to long term	High impact	Education and maintenance of IT literacy
whole group	The ratio of interest-bearing liabilities to total assets was 57.0% at the end of this consolidated fiscal year.  There is a possibility that market interest rates will rise due to economic and financial conditions, or that borrowing will become impossible for some reason.	Low likelihood / Medium to long term	High impact	<ul> <li>Early profitability of new businesses and</li> <li>improvement of operating profit margins</li> <li>Improved efficiency through unification within the group</li> </ul>
Construction and Civil Engineering Business	There is a possibility that material prices will rise sharply due to tight supply and demand, and that the increase in material costs cannot be passed on to construction order prices.	Medium likelihood / Medium to long term	Medium impact	Enhancing main construction methods through new developments
whole group	Due to changes in the business performance of companies in which we have made investments or M&A, the valuation of our assets may fall significantly, leading to the recording of valuation losses and the occurrence of additional expenditures.	Medium likelihood / Medium to long term	Medium impact	<ul> <li>Strengthening the group structure through diversification</li> <li>Continuous investment recovery and risk assessment</li> </ul>

<sup>\*</sup>This section describes particularly important risk information. For other risk information, please refer to the Securities Report "Business Risks."



## Shareholder Return Policy



Basic Policy

We strive to ensure a stable management base, and recognize that returning profits to shareholders is one of our most important management priorities. Our basic policy is to pay dividends to shareholders after comprehensively considering business performance, economic conditions, etc., while strengthening our financial position and enhancing internal reserves in preparation for future business development.

Shareholde Return Plar On the premise of achieving a stronger earnings base and improved financial structure based on cash generating capabilities, we will announce a specific shareholder return plan when we disclose our next medium-term management plan.



## Reference material – Balance Sheet / Cashflow



	Unit: JPY thousand	FY ended March 2021	FY ended March 2022	FY ended March 2023	FY ended March 2024	FY ended March 2025
Sect	tion of total assets	14,928,342	18,098,268	16,771,396	18,051,775	16,998,056
	Current assets	10,644,938	13,089,410	11,835,308	11,888,738	10,803,735
	Cash and deposits	3,894,837	5,782,758	3,794,009	4,994,190	3,112,252
	Notes and accounts receivable	4,744,636	5,433,275	6,049,224	5,847,730	6,281,908
	Fixed assets	4,263,885	4,993,394	4,935,088	4,743,111	6,194,320
	Tangible fixed assets	1,720,706	2,138,188	2,497,448	2,425,562	2,753,915
	Intangible fixed assets	1,296,876	1,349,895	1,185,360	1,068,713	2,260,589
	Other investments	1,246,302	1,505,310	1,252,278	1,248,836	1,179,815
Sect	tion of liabilities	12,408,414	15,899,009	13,793,925	14,931,077	14,154,677
	Current liabilities	7,699,000	11,891,382	10,086,915	11,848,427	9,510,505
	Notes payable and accounts payable	1,445,395	1,882,525	1,922,726	1,717,276	1,929,642
	Short-term borrowing	2,661,723	6,856,950	4,869,635	6,922,409	4,530,000
	Long-term loans due within one year	1,009,857	388,236	453,542	365,460	636,011
	Fixed liabilities	4,709,414	4,007,627	3,707,009	3,082,649	4,644,171
	Long-term borrowing	4,056,269	3,345,376	2,856,160	2,305,286	3,865,174
Sect	tion of net assets	2,519,927	2,199,258	2,977,471	3,120,698	2,843,379
	Capital	1,293,008	1,489,224	1,866,314	1,909,570	1,909,570
	Capital surplus	2,412,565	2,582,917	2,953,034	2,991,881	751,590
	Retained earning	<b>▲</b> 1,381,486	<b>▲</b> 2,209,724	<b>▲</b> 2,109,529	<b>▲</b> 1,881,601	23,209
	Total shareholders' equity	2,314,707	1,852,610	2,699,813	3,019,849	2,684,246
	Interest of non-controlling shareholders	139,813	330,088	346,143	218,728	194,523
	Unit: JPY thousand	FY ended March 2021	FY ended March 2022	FY ended March 2023	FY ended March 2024	FY ended March 2025
	Operating cashflow	▲862,501	129,304	369,398	572,269	305,192
	Investment cashflow	<b>▲</b> 1,051,337	▲601,404	<b>▲</b> 498,715	▲5,125	<b>▲</b> 1,647,104
	Financial cashflow	2,539,145	2,111,356	<b>▲</b> 1,843,113	925,146	405,012
The bal	lance of cash and cash equivalents at the end of the fiscal year	3,536,578	5,235,065	3,293,359	4,794,906	3,044,362
	Free cashflow	<b>▲</b> 1,913,839	<b>▲</b> 472,100	▲129,317	567,143	<b>▲</b> 1,341,912

## Reference material – Profit and Loss Statement (1)



Unit: JPY thousand		FY ended March 2021	FY ended March 2022	FY ended March 2023	FY ended March 2024	FY ended March 2025
Sales	Full fiscal year	22,634,593	26,346,996	30,528,153	29,270,215	28,855,658
	3 <sup>rd</sup> quarter (1Q+2Q+3Q)	16,148,211	18,571,211	21,826,817	21,069,424	21,148,886
	2 <sup>nd</sup> quarter (1Q+2Q)	10,298,704	11,882,222	14,331,201	13,848,713	13,718,918
	1 <sup>st</sup> quarter	4,702,261	5,722,506	6,705,778	6,851,298	6,977,159
Control	Full fiscal year	16,528,399	19,698,212	22,714,228	21,700,717	21,692,401
	3 <sup>rd</sup> quarter (1Q+2Q+3Q)	12,124,836	14,040,287	16,556,990	15,836,428	16,092,356
Cost of sales	2 <sup>nd</sup> quarter (1Q+2Q)	7,924,943	8,916,663	10,925,649	10,396,421	10,400,813
	1 <sup>st</sup> quarter	3,564,854	4,269,302	5,039,452	5,095,020	5,264,596
	Full fiscal year	6,106,193	6,648,783	7,813,924	7,569,497	7,163,256
Cross modit	3 <sup>rd</sup> quarter (1Q+2Q+3Q)	4,023,374	4,530,924	5,269,826	5,232,995	5,056,530
Gross profit	2 <sup>nd</sup> quarter (1Q+2Q)	2,373,761	2,965,559	3,405,551	3,452,292	3,318,104
	1 <sup>st</sup> quarter	1,137,407	1,453,203	1,666,326	1,756,277	1,712,562
	Full fiscal year	6,359,048	6,410,080	7,074,499	6,855,735	6,829,256
Selling expenses and general and administrative	3 <sup>rd</sup> quarter (1Q+2Q+3Q)	4,777,375	4,843,142	5,375,406	5,130,640	5,148,158
expenses	2 <sup>nd</sup> quarter (1Q+2Q)	3,237,910	3,374,240	3,714,067	3,483,691	3,397,107
onpenses	1 <sup>st</sup> quarter	1,619,413	1,727,609	1,869,862	1,787,242	1,742,182
	Full fiscal year	▲252,854	238,703	739,425	713,762	333,999
On anoting loss on mustic	3 <sup>rd</sup> quarter (1Q+2Q+3Q)	<b>▲</b> 754,001	▲312,218	▲105,579	102,354	<b>▲</b> 91,627
Operating loss or profit	2 <sup>nd</sup> quarter (1Q+2Q)	▲864,148	<b>▲</b> 408,681	▲308,515	▲31,399	<b>▲</b> 79,002
	1 <sup>st</sup> quarter	<b>▲</b> 482,006	<b>▲</b> 274,406	▲203,536	▲30,965	▲29,620
	Full fiscal year	▲208,537	157,244	708,457	767,760	142,814
Ondinany loss on modit	3 <sup>rd</sup> quarter (1Q+2Q+3Q)	<b>▲</b> 749,953	▲323,124	<b>▲</b> 96,265	75,369	▲260,847
Ordinary loss or profit	2 <sup>nd</sup> quarter (1Q+2Q)	▲829,644	<b>▲</b> 429,759	▲238,388	11,805	<b>▲</b> 169,205
	1 <sup>st</sup> quarter	<b>▲</b> 461,931	▲286,069	<b>▲</b> 130,575	20,120	<b>▲</b> 4,662
Net loss / income attributable to shareholder of parent company	Full fiscal year	<b>▲</b> 843,457	<b>▲</b> 766,064	162,492	183,138	<b>▲</b> 129,176
	3 <sup>rd</sup> quarter (1Q+2Q+3Q)	<b>▲</b> 1,139,816	▲907,915	<b>4</b> 446,489	▲367,700	<b>▲</b> 513,655
	2 <sup>nd</sup> quarter (1Q+2Q)	<b>▲</b> 925,686	<b>▲</b> 730,367	<b>▲</b> 536,219	<b>▲</b> 196,772	▲280,502
	1 <sup>st</sup> quarter	▲516,391	▲381,655	▲286,287	▲2,907	▲101,311

## Reference material – Profit and Loss Statement (2)



Unit: JPY	Unit: JPY thousand		FY ended March 2022	FY ended March 2023	FY ended March 2024	FY ended March 2025
Sales	4 <sup>th</sup> quarter	6,486,382	7,775,784	8,701,336	8,200,790	7,706,771
	3 <sup>rd</sup> quarter	5,849,506	6,688,988	7,495,615	7,220,710	7,429,968
	2 <sup>nd</sup> quarter	5,596,443	6,159,716	7,625,422	6,997,415	6,741,759
	1 <sup>st</sup> quarter	4,702,261	5,722,506	6,705,778	6,851,298	6,977,159
	4 <sup>th</sup> quarter	4,403,563	5,657,925	6,157,238	5,864,288	5,600,044
	3 <sup>rd</sup> quarter	4,199,893	5,123,623	5,631,341	5,440,007	5,691,542
Cost of sales	2 <sup>nd</sup> quarter	4,360,089	4,647,360	5,886,197	5,301,400	5,136,216
1	1 <sup>st</sup> quarter	3,564,854	4,269,302	5,039,452	5,095,020	5,264,596
	4 <sup>th</sup> quarter	2,082,819	2,117,859	2,544,098	2,336,502	2,106,726
Gross profit	3 <sup>rd</sup> quarter	1,649,613	1,565,364	1,864,274	1,780,702	1,738,425
Gloss profit	2 <sup>nd</sup> quarter	1,236,354	1,512,355	1,739,225	1,696,014	1,605,542
	1 <sup>st</sup> quarter	1,137,407	1,453,203	1,666,326	1,756,277	1,712,562
	4 <sup>th</sup> quarter	1,581,672	1,566,937	1,699,092	1,725,094	1,681,098
Selling expenses and general and administrative	3 <sup>rd</sup> quarter	1,539,465	1,468,901	1,661,339	1,646,949	1,751,050
expenses	2 <sup>nd</sup> quarter	1,618,496	1,646,631	1,844,204	1,696,448	1,654,924
inpenses	1 <sup>st</sup> quarter	1,619,413	1,727,609	1,869,862	1,787,242	1,742,182
	4 <sup>th</sup> quarter	501,146	550,921	845,005	611,407	425,627
Operating loss on profit	3 <sup>rd</sup> quarter	110,147	96,463	202,935	133,753	<b>▲</b> 12,624
Operating loss or profit	2 <sup>nd</sup> quarter	▲382,142	<b>▲</b> 134,275	<b>▲</b> 104,978	<b>▲</b> 434	<b>▲</b> 49,382
	1 <sup>st</sup> quarter	<b>▲</b> 482,006	<b>▲</b> 274,406	▲203,536	▲30,965	<b>▲</b> 29,620
	4 <sup>th</sup> quarter	541,415	480,368	804,723	692,391	403,662
Ordinary loss or profit	3 <sup>rd</sup> quarter	79,690	106,635	142,123	63,564	<b>▲</b> 91,642
Ordinary loss or profit	2 <sup>nd</sup> quarter	▲367,713	<b>▲</b> 143,690	▲107,813	▲8,315	<b>▲</b> 164,543
	1 <sup>st</sup> quarter	<b>▲</b> 461,931	▲286,069	<b>▲</b> 130,575	20,120	<b>▲</b> 4,662
Net loss / income attributable to shareholder	4 <sup>th</sup> quarter	296,358	141,851	608,981	550,838	384,478
	3 <sup>rd</sup> quarter	<b>▲</b> 214,129	<b>▲</b> 177,547	89,730	<b>▲</b> 170,928	▲233,153
of parent company	2 <sup>nd</sup> quarter	<b>▲</b> 409,295	▲348,711	<b>▲</b> 249,931	<b>▲</b> 193,864	<b>▲</b> 179,190
	1 <sup>st</sup> quarter	▲516,391	▲381,655	▲286,287	<b>▲</b> 2,907	▲101,311

## Notes regarding this material



#### Disclaimer

The plans, forecasts, and strategies described in this document are forward-looking statements based on information available at the time of preparation and are subject to various risks and uncertainties. Actual results may differ significantly from these forecasts due to changes in the business environment and other factors. Therefore, please refrain from making investment decisions based entirely on information regarding future business strategies and performance forecasts.

In addition, our group has quoted the information contained in this material regarding companies other than our company from publicly available information, and we do not guarantee the accuracy of the information.

This material is intended to provide general information and is not intended to solicit investment in stocks or other securities issued by our company.

#### ■ Timing of disclosure

This document will next be updated when the mid-term management plan is formulated and announced. The timing of the update has not yet been decided.

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Aiming to contribute to society by improving the efficiency and effectiveness of social infrastructure through ICT technology and digital transformation.

