



Consolidated Financial Results (Japanese Accounting Standards)

For the Fiscal Year Ended 30 September 2024

7 November 2024

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 Stock Code 3328 URL <http://www.beenos.com>
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 Scheduled date of the Annual General Meeting of Shareholders 20DEC2024 Scheduled date of commencement of dividend payment 23DEC2024
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 Supplementary documents for annual results: Yes
 Results briefing: Yes

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended 30 September 2023 (1OCT2023 - 30SEP2024)

(1) Consolidated Results of Operations (Percentages show year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2024	25,428	△21.8	2,401	△46.7	2,221	△45.2	1,351	△38.5
FY2023	32,508	8.9	4,501	-	4,053	-	2,198	-

(Note) Comprehensive income FY2024 880Million yen (-%) FY2023 △4,273Million yen (-%)

	Net income per share	Diluted net income per share	Net income to shareholders' equity	Ratio of ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY2024	111.06	106.93	10.0	7.5	9.4
FY2023	180.76	172.30	14.4	13.1	13.8

(Reference) Equity in earnings FY2024 8Million yen FY2023 △236Million yen

(2) Consolidated Financial Position

	Total assets	Net worth	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2024	31,529	14,430	45.2	1,109.12
FY2023	27,911	13,010	45.8	1,060.34

(Reference) Equity capital FY2024 14,255Million yen FY2023 12,789Million yen

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
FY2024	3,758	3,550	△275	18,242
FY2023	2,988	△726	△1,192	11,233

2. Dividends

	Annual dividend					Amount of dividends (Total)	Dividend ratio (Consolidated)	Dividend on equity (Consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2023	-	0.00	-	27.00	27.00	325	14.9	2.2
FY2024	-	0.00	-	40.00	40.00	514	36.0	3.7
FY2025 (Forecast)	-	-	-	-	-	-	-	-

(Notes) 1. Revision to the most recently announced dividend forecast: Yes

2. The dividend for FY2025 has not yet been determined.

3. Consolidated Forecasts for the Fiscal Year Ending 30 September 2025 (1OCT2024 - 30SEP2025)

(Percentages show year-on-year changes)

	Net sales		Operating income		Net income attributable to owners of the parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
FY2025	18,390	△27.7	2,840	18.3	1,850	36.9	152.03

For details, please refer to "1. Overview of Operating Results and Others (4) Outlook" on page 5.

* Notes

(1) Changes of important subsidiaries during period : Yes

New Companies:- (Company Name:)

Excluded Companies:2 (Company Name: Defactostandard, Ltd., JOYLAB, Inc.)

(2) Changes in accounting policies and changes or restatement of accounting estimates

(1) Changes in accounting policies caused by revision of accounting standards : None

(2) Changes in accounting policies other than (1) : None

(3) Changes in accounting estimates : None

(4) Restatement : None

(3) Number of shares outstanding (common shares)

① Number of shares outstanding at the end of period (including treasury shares)

FY2024	13,603,995 Shares	FY2023	12,876,995 Shares
FY2024	750,862 Shares	FY2023	814,966 Shares
FY2024	12,168,548 Shares	FY2023	12,163,375 Shares

② Number of treasury shares at end of period

③ Average number of shares outstanding during the term

Note: The shares (8,300 shares in FY2023) owned by the Trust-type Employee Stock Ownership Incentive Plan (E-Ship) are included in the number of treasury shares at end of period. The shares owned by E-Ship are calculated by the year's average share price and are included in treasury shares to be deducted.

This summary of financial results is not subject to audit by certified public accountants or an auditing firm.

Explanation of Appropriate Use of Performance Forecasts and Other Special Notes

(Notes on forward-looking statements)

The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable. The Company does not guarantee the achievement of these forecasts. Actual results may differ significantly due to a variety of factors.

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1. Qualitative Information for this Fiscal Year's Results

(1) Business Performance Report

The BEENOS Group is committed to becoming a leader on the "Global Platform Frontier," setting new standards and unlocking possibilities by fusing people, products, and information with the global commerce market. This ambition is fueled by leveraging technological advancements and our comprehensive expertise in global commerce.

For this fiscal year, we are concentrating on tailored strategies for each of our business segments to attain our objectives. Our goal in Global Commerce is to broaden our distribution channels by enhancing the Buyee service with AI technology, reducing operational costs, and engaging in vigorous promotional efforts. Our focus in Entertainment is on boosting profit margins through the systematization and automation of operations.

In the E-Commerce Business, the Global Commerce segment experienced a notable rise in GMV and operating profit through proactive campaigns, enhanced campaign efficiency, and personalized promotions. In the Entertainment segment, merchandise sales grew steadily, driven by major events featuring both company-managed artists and those on the Groobee platform, contributing to an increase in GMV. We completed the transfer of shares for the Value Cycle segment as announced in "(Progress of Disclosed Matters) Notice of Completion of Change in Consolidated Subsidiaries (Shares Transfer) and Forecast of Extraordinary Income" on 30 April 2024. The Value Cycle segment has been deconsolidated from the BEENOS Group as of FY2024 Q2. The share transfer led to an extraordinary profit of approximately 900 million yen.

In the Incubation Business, we recorded provisions and impairments concerning the valuation of operational investment securities and moved forward with the sale of select investment securities.

As a result, the consolidated GMV was 115,948 mil JPY (up 15.1% year on year), net sales were 25,428 mil JPY (down 21.8% year on year), operating income was 2,401 mil JPY (down 46.7% year on year), ordinary income was 2,221 mil JPY (down 45.2% year on year), and net income attributable to owners of parent was 1,351 mil JPY (down 38.5% year on year).

The achievements of each business segment are as follows.

(1) E-Commerce Business

i) Global Commerce Business

In the Overseas Forwarding and Proxy Purchasing Business (FROM JAPAN), we have continued to implement aggressive campaigns in collaboration with domestic partners through Buyee, significantly contributing to GMV growth. Moreover, we shifted from distributing large-scale coupons targeting a broad user base last year to distributing coupons based on users' purchase frequency and product categories. Through targeted coupon distribution based on product categories and user purchasing patterns, we achieved a notable year-over-year increase in operating profit.

We also expanded Buyee's exclusive "ECMS Express" plan to Australia and Malaysia and reduced shipping costs to the United States, providing more affordable options for users in these regions. Additionally, we introduced "FedEx International Economy" for an even broader range of delivery choices.

Service improvements continued with AI-driven enhancements, such as a redesigned Buyee site and automated messaging, which further streamlined operations. A new domestic warehouse in Osaka was established to accommodate increased distribution, strengthening our logistics capabilities.

In the cross-border support service "Buyee Connect," which facilitates abroad sales with simple integration, we collaborated with platforms like "BUYMA" by Enigmo Inc. and BuySell Technologies Co., Ltd.'s "Reuse Select Shop BuySell Online Store" and "BuySell brandchée." These efforts have raised BEENOS Group's cumulative cross-border e-commerce support cases to over 6,000.

In our Global Shopping Business (TO JAPAN), we aimed to expand distribution by enhancing marketing efforts, including campaigns for repeat customers and SEO strategies. However, the continued trend of a weaker yen affected our operations, leading to a decrease in GMV.

As a result, GMV was 90,090 mil JPY (up 27.4% year on year), net sales were 14,593 mil JPY (up 20.7% year on year) and operating income was 4,426 mil JPY (up 20.8% year on year).

ii) Entertainment Business

In the Entertainment Business, merchandise sales linked to large-scale concerts by our represented artists and annual summer live events have driven steady GMV growth.

On the entertainment-focused E-Commerce platform "Groobee," sales also rose significantly, fueled by major live events featuring partnered artists. This period saw Groobee's reach expand further, with new implementations such as supporting the launch and management of GENCO inc.'s official E-Commerce site, "GENCO SHOP," which contributed to a consistent increase in partnered artists on the platform.

As a result, GMV was 16,641 mil JPY (up 15.3% year on year), net sales were 1,603 mil JPY (up 10.1% year on year) and operating profit was 32 mil JPY (operating losses in FY2023 were 104 mil JPY).

iii) Value Cycle Business

The share transfer of the Apparel Reuse Business and Liquor Mediation Business has been completed; thus, this segment has been deconsolidated as of FY2024 Q2.

As a result, GMV was 8,267 mil JPY (down 44.5% year on year), net sales were 8,387 mil JPY (down 44.2% year on year) and operating losses were 63 mil JPY (operating losses in FY2023 were 53 mil JPY). (FY2024 Q2 comparisons are made to FY2023)

For the E-Commerce Business as a whole, GMV was 114,927 mil JPY (up 15.0% year on year), net sales were 24,585 mil JPY (down 14.0% year on year) and operating income was 4,395 mil JPY (up 25.4% year on year).

(2) Incubation Business

In the Incubation Business, we recorded provisions and impairments for operational investment securities and initiated their sale to minimize operating losses.

As a result, net sales were 543 mil JPY (down 85.4% year on year) and operating losses were 102 mil JPY (operating income in FY2023 was 2,972 mil JPY).

(3) Other Businesses

In the Other Business segment, alongside the development and research of multiple new ventures, we exited businesses with uncertain growth prospects and achieved profitability in select areas.

As a result, GMV was 1,108 mil JPY (down 0.5% year on year), net sales were 883 mil JPY (up 21.4% year on year) and operating losses were 857 mil JPY (operating losses in FY2023 were 1,018 mil JPY).

(2) Overview of financial position for the fiscal year under review

<Assets, liabilities and net assets>

(Assets)

Total assets at the end of the fiscal year under review were 31,529 Million yen, an increase of 3,617 Million yen from the end of the previous fiscal year.

Current assets totaled 27,462 Million yen, an increase of 4,729 Million yen from the end of the previous fiscal year. This was mainly due to an increase of 7,299 Million yen in Cash and deposits, a decrease of 2,186 Million yen in Products.

On the other hand, Total fixed assets were 4,067 Million yen, a decrease of 1,111 Million yen from the end of

the previous fiscal year. This was mainly due to an increase of 1.2 million yen in Allowance for doubtful account, a decrease of 333 Million yen in Investment securities and a decrease of 322 Million yen in Buildings and structures.

(Liabilities)

Total liabilities at the end of the fiscal year under review were 17,098 Million yen, an increase of 2,197 Million yen from the end of the previous fiscal year.

Current liabilities totaled 15,919 Million yen, an increase of 1,859 Million yen from the end of the previous fiscal year. This was mainly due to an increase of 1,023 Million yen in Deposits received, 923 Million yen in Income taxes payable, 901 Million yen in Accounts payable-other, and a decrease of 900 Million yen in Short-term loans.

On the other hand, Total fixed liabilities were 1,179 Million yen, an increase of 338 Million yen from the end of the previous fiscal year. This was mainly due to a 323 Million yen increase in Deferred tax liabilities, a 260 Million yen increase in Long-term loans payables, and a 223 Million yen decrease in Asset retirement obligations.

(Net Assets)

Total net assets at the end of the current consolidated fiscal year increased by 1,420 Million yen from the end of the previous consolidated fiscal year to 14,430 Million yen. This was mainly due to increases of 1,025 Million yen in Retained earnings, 400 Million yen in capital stock and 376 Million yen in Capital surplus and decreases of 261 Million yen in Valuation difference on securities and 209 Million yen in Foreign currency translation adjustment.

(3) Overview of Cash Flows for the Fiscal Year

Cash and cash equivalents (hereinafter referred to as "Cash") for the fiscal year under review increased by 7,008 Million yen from the previous fiscal year to 18,242 Million yen.

The status of each cash flow in the current consolidated fiscal year and the factors thereof are as follows.

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities was 3,758 Million yen, up 2,988 Million yen from the previous fiscal year. The main factors for the increase were an increase of 1,067 Million yen in Deposits received, an increase of 3,167 Million yen due to the recording of Income before income taxes, and the main factor for the decrease was Income taxes paid 1,013 Million yen.

(Cash flow from investing activities)

Net cash provided by investing activities was 3,550 Million yen, down 726 Million yen from the previous fiscal year. The main factors for the decrease were 194 Million yen for acquisition of Intangible assets and 121 Million yen for payments of lease and guarantee deposits. The main factor for the increase was 3,774 Million yen for proceeds from sales of shares of subsidiaries accompanying changes in the scope of consolidation.

(Cash flow from financing activities)

Net cash used in financing activities was 275 Million yen, down 1,192 Million yen from the previous fiscal year. The main reasons for the decrease were a decrease of 900 Million yen in Short-term loans, repayment of 547 Million yen in Long-term loans payable, and Cash dividends paid 325 Million yen in dividends. The main reasons for the increase were 785 Million yen in proceeds from the exercise of stock options and 700 Million yen in proceeds from long-term borrowings.

Trends in the Group's cash flow indicators are as follows.

	FY2020	FY2021	FY2022	FY2023	FY2024
Equity ratio (%)	48.3	51.7	52.5	45.8	45.2
Equity ratio on a market value basis (%)	98.5	185.4	84.8	71.6	107.8
Debt redemption period (years)	0.6	-	3.5	1.7	1.2
Interest coverage ratio (times)	554.9	-	92.9	168.7	209.9

Equity ratio: Shareholders' equity / Total assets

Equity ratio based on market value: Market capitalization / Total assets

Debt redemption period: interest-bearing debt / operating cash flow

Interest coverage ratio: Cash flows from operating activities / Interest payments

Notes: 1. All figures are calculated based on consolidated financial figures.

2. Market capitalization is calculated based on the number of shares outstanding excluding Treasury Stock.

3. Interest-bearing debt refers to all debts on the consolidated balance sheet for which interest is paid.

4. Debt redemption period and interest coverage ratio for FY2021 are not shown because operating cash flow was negative.

(4) Explanation of the Outlook for the Future

Our Group is committed to being on the "Global Platform Frontier" that connects people, goods, information, and the global commerce market, consistently introducing new standards and possibilities. For FY2025, we plan to reclassify new businesses that have achieved a certain scale within their segment and, along with our established Buyee business, focus on sustained growth in Global Commerce. In other segments, we aim to enhance functionality and improve services to drive both revenue and operating profit, while managing investment levels and fostering new business creation.

Please note that from FY2025, we will implement a change in segment classifications; therefore, our performance forecasts and current fiscal results are presented according to the new segments. Additionally, while the current consolidated results include the Value Cycle segment, this segment will be excluded from our consolidated scope for the next fiscal year.

Unit: bil JPY		FY2025 Forecast	YoY	Difference		FY2024 (Reference)
Consolidation	GMV	115.05	▲0.8%	▲0.89		115.94
	Net sales	18.39	▲21.7%	▲7.03		25.42
	Operating income	2.84	18.3%	0.43		2.4
	Net profit	1.85	36.9%	0.49		1.35
Global Commerce Business	GMV	100.0	9.7%	8.87		91.12
	Operating income	4.4	5.2%	0.21		4.18
Entertainment Business	GMV	15.0	▲9.9%	▲1.64		16.64
	Operating income	0.1	209.6%	0.06		0.03
Incubation	Operating income	0.0	-	0.1		▲0.1

Other Businesses	GMV	0.05	▲29.2%	▲0.02		0.07
	Operating income	▲0.35	-	0.26		▲0.61
Corporate expenses and Adjustments	Operating income	▲1.31	-	▲0.27		▲1.03

* The results for the fiscal year under review shown as "Reference" have been reclassified to the new segments scheduled to be effective from FY2025.

① Global Commerce

With Buyee's campaign-driven growth beginning to stabilize, we plan to sustain GMV growth by expanding delivery options and enhancing services. Additionally, the "Cross-Platform Business," previously part of Other Businesses, has grown substantially in GMV and holds further expansion potential. We will reclassify it under Global Commerce to boost synergies, targeting a GMV of 100 billion yen within this segment.

② Entertainment

We will focus on refining Groobee, our entertainment-specific e-commerce platform, in FY2025 by addressing challenges to make it a more streamlined, responsive service. This refinement will better meet diverse client needs, while expanding revenue streams and improving the Take Rate to foster growth in operating profit.

③ Incubation

We will continue to actively sell operational investment securities, particularly unlisted stocks, with sales structured to account for liquidity needs to cover impairments and reserves.

④ Other Businesses

Certain businesses within this segment will be reclassified into Global Commerce due to their growth, helping to reduce losses as we control investments and drive business growth. We will also strengthen efforts to promote popular domestic entertainment content overseas through Buyee, supporting further expansion in this area.

2. Basic Approach to the Selection of Accounting Standards

The consolidated financial statements of the Group have been prepared in accordance with Japanese GAAP to facilitate comparability between periods and companies.

With regard to the application of IFRS (International Financial Reporting Standards), the Company's policy is to take appropriate measures in consideration of various circumstances in Japan and overseas.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Unit: Million yen)

	FY2023 (30 September 2023)	FY2024 (30 September 2024)
Assets		
Current assets		
Cash and deposits	10,648	17,948
Notes and accounts receivable	1,367	1,149
Operational investment securities	3,998	3,318
Products	2,650	464
Accounts receivable	1,211	2,053
Other	2,929	2,528
Allowance for doubtful accounts	△73	△1
Total current assets	22,733	27,462
Fixed assets		
Tangible Assets		
Buildings and structures	783	237
Accumulated depreciation	△439	△216
Buildings and structures, net	344	21
Tools, materials and supplies	271	208
Accumulated depreciation	△196	△166
Tools, materials and supplies, net	75	41
Other	42	40
Accumulated depreciation	△19	△18
Other, net	22	22
Total tangible assets	442	85
Intangible assets		
Software	297	258
Other	0	-
Total intangible assets	297	258
Investments etc.		
Investment securities	2,983	2,649
Deferred tax assets	910	811
Other	544	382
Allowance for doubtful accounts	-	△120
Total investments etc.	4,438	3,723
Total fixed assets	5,178	4,067
Total assets	27,911	31,529

(Unit: Million yen)

	FY2023 (30 September 2023)	FY2024 (30 September 2024)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	54	118
Short-term loan	4,250	3,350
Current portion of long-term loans payable	647	540
Accounts payable-other	6,822	7,723
Deposits received	996	2,020
Income taxes payable	254	1,178
Asset retirement obligations	-	67
Other	1,034	922
Total current liabilities	14,060	15,919
Fixed liabilities		
Long-term loans payable	300	560
Deferred tax liabilities	295	619
Asset retirement obligations	223	-
Other	22	-
Total fixed liabilities	841	1,179
Total liabilities	14,901	17,098
Net assets		
Shareholders' equity		
Capital stock	2,775	3,175
Capital surplus	2,954	3,331
Retained earnings	7,256	8,282
Treasury Stock	△1,566	△1,431
Total shareholders' equity	11,421	13,357
Other accumulated comprehensive income		
Valuation difference on securities	△215	△477
Foreign currency translation adjustments	1,584	1,375
Total other accumulated comprehensive income	1,368	897
Share subscription rights	220	174
Total net assets	13,010	14,430
Total liabilities and net assets	27,911	31,529

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Profit & Loss Statement

(Unit: Million yen)

	FY2023 (From 1 October 2022 to 30 September 2023)	FY2024 (From 1 October 2023 to 30 September 2024)
Net sales	32,508	25,428
Cost of sales	16,536	13,492
Gross profit	15,972	11,936
Selling, general and administrative expenses	11,470	9,534
Operating income	4,501	2,401
Non-operating income		
Interest income	5	22
Equity in earnings of affiliated companies	-	8
Gain on investments in partnerships	-	81
Subsidy income	1	0
Guarantee income	18	3
Other	33	42
Total non-operating income	58	158
Non-operating expenses		
Interest expenses	17	17
Equity in loss of affiliates	236	-
Foreign exchange losses	219	165
Commissions paid	3	-
Loss on investments in partnerships	14	-
Allowance for doubtful accounts	-	121
Other	14	33
Total non-operating expenses	506	337
Ordinary income	4,053	2,221
Extraordinary income		
Gain on sales of shares of subsidiaries and associates	-	914
Gain on reversal of subscription rights to shares	11	30
Total extraordinary income	11	945
Extraordinary losses		
Impairment loss	139	-
Loss on retirement of noncurrent assets	10	-
Provision for loss on guarantees	132	-
Total extraordinary loss	282	-
Income before income taxes	3,782	3,167
Income taxes	1,887	1,456
Income taxes-deferred	△303	359
Total income taxes	1,583	1,815
Net income for the year	2,198	1,351
Net income attributable to owners of the parent	2,198	1,351

Consolidated Statements of Comprehensive Income

(Unit: Million yen)

	FY2023 (From 1 October 2022 to 30 September 2023)	FY2024 (From 1 October 2023 to 30 September 2024)
Net income for the year	2,198	1,351
Other comprehensive income		
Valuation difference on securities	△6,836	△261
Foreign currency translation adjustments	361	△206
Share of other comprehensive (loss) income in associates	3	△2
Total other comprehensive income	△6,472	△470
Comprehensive income	△4,273	880
(Breakdown)		
Comprehensive income attributable to owners of the parent	△4,273	880
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statements of Changes in Shareholders' equities

Previous Fiscal Year (From 1 October 2022 to 30 September 2023)

(Unit: Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury Stock	Total shareholders' equity
Balance at beginning of year	2,775	3,925	5,367	△2,107	9,962
Changes during the year					
Issuance of new shares					
Dividend of surplus			△309		△309
Net income attributable to owners of the parent			2,198		2,198
Acquisition of Treasury Stock				△794	△794
Disposal of Treasury Stock		△80		444	364
Retirement of Treasury Stock		△890		890	-
Net changes in items other than Shareholders' equities					-
Total changes during the period	-	△971	1,888	540	1,458
Balance at the end of the current	2,775	2,954	7,256	△1,566	11,421

	Other accumulated comprehensive income			Share subscription rights	Total net assets
	Other securities Net unrealized gain	Foreign currency translation adjustments	Other comprehensive income Total accumulated amount		
Balance at beginning of year	6,620	1,220	7,841	198	18,001
Changes during the year					
Issuance of new shares					
Dividend of surplus					△309
Net income attributable to owners of the parent					2,198
Acquisition of Treasury Stock					△794
Disposal of Treasury Stock					364
Retirement of Treasury Stock					-
Net changes in items other than Shareholders' equities	△6,836	364	△6,472	22	△6,450
Total changes during the period	△6,836	364	△6,472	22	△4,991
Balance at the end of the current	△215	1,584	1,368	220	13,010

Fiscal year ended 30 September 2023 (From 1 October 2023 to 30 September 2024)

(Unit: Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury Stock	Total shareholders' equity
Balance at beginning of year	2,775	2,954	7,256	△1,566	11,421
Changes during the year					
Issuance of new shares	400	400			800
Dividend of surplus			△325		△325
Net income attributable to owners of the parent			1,351		1,351
Acquisition of Treasury Stock				△0	△0
Disposal of Treasury Stock		△23		134	110
Retirement of Treasury Stock					-
Net changes in items other than Shareholders' equities					-
Total changes during the period	400	376	1,025	134	1,936
Balance at the end of the current	3,175	3,331	8,282	△1,431	13,357

	Other accumulated comprehensive income			Share subscription rights	Total net assets
	Other securities Net unrealized gain	Foreign currency translation adjustments	Other comprehensive income Total accumulated amount		
Balance at beginning of year	△215	1,584	1,368	220	13,010
Changes during the year					
Issuance of new shares					800
Dividend of surplus					△325
Net income attributable to owners of the parent					1,351
Acquisition of Treasury Stock					△0
Disposal of Treasury Stock					110
Net changes in items other than Shareholders' equities	△261	△209	△470	△45	△516
Total changes during the period	△261	△209	△470	△45	1,420
Balance at the end of the current	△477	1,375	897	174	14,430

(4) Consolidated Statements of Cash Flows

(Unit: Million yen)

	FY2023 (From 1 October 2022 to 30 September 2023)	FY2024 (From 1 October 2023 to 30 September 2024)
Net cash provided by (used in) operating activities		
Income before income taxes	3,782	3,167
Depreciation and amortization	206	158
Impairment loss	139	-
Amortization of goodwill	60	-
Stock-based Compensation Expense	116	87
Increase in allowance for doubtful accounts (Decrease:Δ)	56	120
Increase in allowance loss on guarantees (Decrease:Δ)	132	Δ132
Interest and dividends income	Δ5	Δ22
Interest expenses	17	17
Foreign exchange losses (Gains:Δ)	Δ83	4
Equity in losses of affiliates (Gains:Δ)	236	Δ8
Loss (gain) on sales of shares of subsidiaries and associates	-	Δ914
Loss on investments in partnership (Gains:Δ)	14	Δ81
Gain on reversal of subscription rights to shares	Δ11	Δ30
(Gain) loss on sale of Fixed assets	-	Δ4
Loss on retirement of noncurrent assets	10	-
Decrease in notes and accounts receivable-trade (Increase:Δ)	Δ494	79
Increase in operational investment securities (Increase: Δ)	332	545
Decrease in inventory (Increase:Δ)	Δ425	283
Increase (decrease) in accounts receivable-other (increased by Δ)	53	Δ867
Increase in notes and accounts payable-trade (Decrease:Δ)	Δ319	65
Increase in accounts payable-other (Decrease:Δ)	1,354	905
Increase in deposits received (Decrease:Δ)	Δ272	1,067
Increase in consumption taxes payable (Decrease:Δ)	Δ13	23
Other	17	138
Subtotal	4,907	4,602
Interest and dividend received	65	84
Interest expenses paid	Δ17	Δ18
Income taxes refunded	754	101
Income taxes paid	Δ2,720	Δ1,013
Net cash provided by (used in) operating activities	2,988	3,758
Cash flow from investing activities		
Purchase of property, plant and equipment	Δ91	Δ59
Proceeds from sales of Tangible Assets	-	6
Purchase of intangible assets	Δ99	Δ194
Purchase of investment securities	Δ501	Δ76
Payments for lease and guarantee deposits	Δ39	Δ121
Proceeds from collection of lease and guarantee deposits	15	3
Lending of loans receivable	Δ60	0
Proceeds from collection of loans receivable	-	60
Proceeds from distributions from investment partnerships	50	158
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	-	3,774

(Unit: Million yen)

	FY2023 (From 1 October 2022 to 30 September 2023)	FY2024 (From 1 October 2023 to 30 September 2024)
Cash flow from investing activities	△726	3,550

(Unit: Million yen)

	FY2023 (From 1 October 2022 to 30 September 2023)	FY2024 (From 1 October 2023 to 30 September 2024)
Cash flow from financing activities		
Increase in short-term loans payable (Decrease:Δ)	700	Δ900
Proceeds from long-term debt	-	700
Repayment of long-term loans payable	Δ1,000	Δ547
Proceeds from exercise of stock options	109	785
Purchase of treasury stock	Δ794	Δ0
Sales of treasury stock	101	11
Proceeds from issuance of subscription rights to shares	-	0
Cash dividends paid	Δ309	Δ325
Cash flow from financing activities	Δ1,192	Δ275
Effect of exchange rate change on cash and cash equivalents	145	Δ25
Net increase in cash and cash equivalents(Decrease:Δ)	1,214	7,008
Cash and cash equivalents at the beginning of the year	10,019	11,233
Cash and cash equivalents at the year-end	11,233	18,242

(5) Notes to Consolidated Financial Statements

(Notes regarding the premise of on-going concerns)

Not Applicable.

(Segment Information.)

(Segment information)

1. Overview of reporting segments

Method of determining reporting segments

The Group's reporting segments consist of units within the organization that provide distinct financial information and are regularly assessed by the Board of Directors to support decision-making on resource allocation and performance evaluation.

The Group has three reporting segments: the E-commerce Business, the Incubation Business and Other Businesses.

The services provided by each segment are as follows.

	Segment	Main Business(es)
E-Commerce	Global Commerce	Overseas Forwarding "tenso.com" and Proxy Purchasing Business "Buyee" Global shopping Business "Sekaimon"
	Value Cycle	Apparel Reuse Business "Brandear" Liquor Mediation Business "JOYLAB"
	Entertainment	Entertainment Business Global Product Business
Incubation		Investment and Consultation Business
Other Businesses		Pre-Monetized Start-up Business

On April 30, 2024, the Company completed the transfer of the Purchase Apparel Reuse Business and the Purchase and Liquor Mediation Business, which had been included in the Value Cycle Business segment of the E-commerce Business. As a result, these businesses were excluded from the scope of consolidation and the Company withdrew from the Apparel Reuse Business and the Liquor Mediation Business. As a result, the performance of "Value Cycle" is included only up to the consolidated cumulative period for the second quarter.

(2) The method of calculating the amounts of Net sales, profit or loss, assets, liabilities, and Other items for each reporting segment

The method of accounting for reported business segments is generally the same as that described in "Significant Accounting Policies and Practices in the Preparation of Consolidated Financial Statements."

Profit by reporting segment is based on Operating income.

Intersegment revenues and transfers are based on quoted market prices.

3. Information on the amounts of Net sales, profit or loss, assets, liabilities, and Other items, and the breakdown of profits for each reporting segment

Previous Fiscal Year (From 1 October 2022 to 30 September 2023)

(Unit: Million yen)

	Reporting segments							Adjustments (Note) 2, 4	Amount recorded in consolidated financial statements (Note) 3
	E-commerce business				Incubation Business	Other Business es	Total		
	Global Commerce Business	Value Cycle Business	Entertainment Business	Subtotal					
Net sales									
Revenue from contracts with customers	12,044	14,921	1,454	28,420	-	379	28,799	-	28,799
Other income (Note) 1	-	-	-	-	3,709	-	3,709	-	3,709
Net sales to external customers	12,044	14,921	1,454	28,420	3,709	379	32,508	-	32,508
Intersegment Net sales or transfers	43	109	1	154	-	348	503	△503	-
Total	12,087	15,031	1,456	28,575	3,709	727	33,012	△503	32,508
Segment profit (loss) (△)	3,663	△53	△104	3,505	2,972	△1,018	5,460	△958	4,501
Segment assets	10,948	5,441	1,808	18,198	6,728	681	25,607	2,303	27,911
Segment liabilities	9,241	3,512	2,162	14,916	1,087	2,868	18,872	△3,970	14,901
Other items									
Depreciation and amortization	39	55	78	174	-	23	197	8	206
Amortization of goodwill	-	36	-	36	-	23	60	-	60
Investments in equity method affiliates	-	-	-	-	148	-	148	21	170
Increase in Tangible Assets and Intangible assets	19	53	63	136	-	18	154	35	189

(Notes) 1. Other income includes income related to operational investment securities in accordance with "Accounting Standards for Financial Instruments" (ASBJ Statement No. 10).

2. The segment earnings adjustment of △958 Million yen includes the deletion of inter-segment transactions of △3,564 Million yen, company-wide revenue of 3,868 Million yen, that is not distributed to each reporting segment and company-wide costs of △1,262 Million yen. Company-wide revenues are mainly the Company's received commission from each subsidiary. Company-wide costs are mainly the Company's administrative costs toward the subsidiaries.

3. Segment profits are adjusted in the operating income of the Consolidated Profit & Loss Statement.

4. The Adjustment of Segment Assets of 2,303 Million yen include corporate-wide assets of 17,813 Million yen and elimination of transactions between segments of △15,509 Million yen that are not distributed among the segments. The main portion of corporate-wide assets include cash held by the holding company and long-term investment funds (investment securities).

Fiscal year ended September 30, 2023 (From October 1, 2024 to September 30, 2019)

(Unit: Million yen)

	Reporting segments							Adjustments (Note) 2, 4	Amount recorded in consolidated financial statements (Note) 3
	E-commerce business				Incubation Business	Other Business es	Total		
	Global Commerce Business	Value Cycle Business	Entertainment Business	Subtotal					
Net sales									
Revenue from contracts with customers	14,565	8,323	1,598	24,488	-	371	24,859	25	24,885
Other income (Note) 1	-	-	-	-	543	-	543	-	543
Net sales to external customers	14,565	8,323	1,598	24,488	543	371	25,402	25	25,428
Intersegment Net sales or transfers	27	64	4	97	-	511	608	△608	-
Total	14,593	8,387	1,603	24,585	543	883	26,011	△582	25,428
Segment profit (loss) (△)	4,426	△63	32	4,395	△102	△857	3,434	△1,033	2,401
Segment assets	10,072	-	3,579	13,651	5,537	926	20,115	11,413	31,529
Segment liabilities	7,807	-	3,852	11,659	181	3,736	15,577	1,521	17,098
Other items									
Depreciation and amortization	35	28	72	136	-	14	151	7	158
Amortization of goodwill	-	-	-	-	-	-	-	-	-
Investments in equity method affiliates	-	-	-	-	142	-	142	11	153
Increase in Tangible Assets and Intangible assets	11	62	165	239	-	-	239	15	255

(Notes) 1. Other income includes income related to operational investment securities in accordance with "Accounting Standards for Financial Instruments" (ASBJ Statement No. 10).

2. The segment earnings adjustment of △1,033 Million yen includes the deletion of inter-segment transactions of △2,555 Million yen, company-wide revenue of 2,858 Million yen, that is not distributed to each reporting segment and company-wide costs of △1,337 Million yen. Company-wide revenues are mainly the Company's received commission from each subsidiary. Corporate expenses are primarily related to Group management.

3. Segment profits are adjusted in the operating income of the Consolidated Profit & Loss Statement.

4. The Adjustment of Segment Assets of 11,413 Million yen include corporate-wide assets of 20,521 Million yen and elimination of transactions between segments of △9,108 Million yen that are not distributed among the segments. The main portion of corporate-wide assets include cash held by the holding company and long-term investment funds (investment securities).

(Information on Impairment loss on Fixed assets for each reporting segment)

Previous Fiscal Year (From 1 October 2022 to 30 September 2023)

(Unit: Million yen)

	Reporting segments							Adjustments	Total
	E-commerce business				Incubation Business	Other Businesses	Total		
	Global Commerce Business	Value Cycle Business	Entertainment Business	Subtotal					
Impairment loss	-	-	-	-	-	139	139	-	139

Current Fiscal year ended 30 September 2024 (From 1 October 2023 to 30 September 2024)

Not Applicable.

(Information on the amortized amount and unamortized balance of goodwill by reporting segment)

Previous Fiscal Year (From 1 October 2022 to 30 September 2023)

(Unit: Million yen)

	Reporting segments							Adjustments	Total
	E-commerce business				Incubation Business	Other Businesses	Total		
	Global Commerce Business	Value Cycle Business	Entertainment Business	Subtotal					
Amortization during the year	-	36	-	36	-	23	60	-	60
Balance at the end of FY2023	-	-	-	-	-	-	-	-	-

Current Fiscal year ended 30 September 2024 (From 1 October 2023 to 30 September 2024)

Not Applicable.

(Information on gain on negative goodwill by reporting segment)

Not Applicable.

(Information per Share)

	FY2023 (From 1 October 2022 to 30 September 2023)	FY2024 (From 1 October 2023 to 30 September 2024)
Net assets per share	1,060.34 yen	1,109.12 yen
Net income per share	180.76 yen	111.06 yen
Diluted net income per share	172.30 yen	106.93 yen

(Note) The basis for the calculation of net assets per 1.1 shares is as follows.

Item	FY2023 (30 September 2023)	The current consolidated accounting year (30 September 2024)
Total net assets (million yen)	13,010	14,430
Amount to be deducted from Net assets (Million yen)	220	174
(Share subscription rights (in Million yen))	(220)	(174)
Net assets related to ordinary shares at the end of the period (Million yen)	12,789	14,255
Number of common shares outstanding	12,876,995	13,603,995
Number of Treasury Stocks of common stock	814,966	750,862
Number of ordinary shares used for the calculation of net assets per share (shares)	12,062,029	12,853,133

2.1 The basis for calculating net income per share and the basis for calculating diluted net income per share are as follows.

	FY2023 (From 1 October 2022 to 30 September 2023)	FY2024 (From 1 October 2023 to 30 September 2024)
Net income per share		
Net income attributable to owners of parent (Million yen)	2,198	1,351
Amount not attributable to ordinary shareholders (Million yen)	-	-
Net income attributable to owners of parent related to ordinary shares (Million yen)	2,198	1,351
Average number of common shares during the period (shares)	12,163,375	12,168,548
Diluted net income per share		
Adjustment of net income attributable to owners of the parent	-	-
(Of which, Interest expensed (after deducting the amount equivalent to the tax amount) (Million yen))	-	-
Increase in common shares (shares)	597,642	470,934
(Share subscription rights (shares))	(597,642)	(470,934)
Outline of potential shares not included in the calculation of diluted net income per share because they do not have a dilutive effect	14th Unpaid Stock Options (Share subscription rights) 393 units 15th Unpaid Stock Options (Share subscription rights)	14th Unpaid Stock Options (Share subscription rights) 267 units 15th Unpaid Stock Options (Share subscription rights)

	3,260 units	2,409 units 16th Paid Stock Options (Share subscription rights) 1,360 units
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3. The Company's shares held by the Trust as a trust-type employee stock ownership incentive plan (E-Ship), which are recorded as Treasury Stocks in Shareholders' equities, are included in the number of Treasury Stocks to be deducted in the calculation of the average number of shares during the period in the calculation of net income per share. In addition, when calculating net assets per share, it is included in Treasury Stock that is deducted from the total number of shares issued and outstanding at the end of the fiscal year.

Average number of shares of treasury stock during the period deducted in the calculation of net income per Treasury Stock

37,894 shares in FY2023 and 669 shares in FY2024

Number of shares of Treasury Stock at end of period deducted in calculation of net assets per share

8,300 shares in FY2023, No shares in the FY2024

(Significant Subsequent Events)

Not Applicable.