# Consolidated Financial Results for the First Quarter of the Fiscal Year Ending September 30, 2025〔Japanese GAAP〕

February 14, 2025

Company Name: Kanamic Network Co., Ltd. Stock Exchange Listing: Tokyo
Stock Code: 3939 URL: http://www.kanamic.net/
Representative: Representative Director and President: Takuma Yamamoto
Inquiries: Director, General Manager: Kenya Wakabayashi （TEL）03-5798-3955
Scheduled date to submit quarterly securities report: February 14, 2025
Scheduled date to commence dividend payments: —
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: None

（Figures are rounded down to the nearest million yen）

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending September 30, 2025 (From October 1, 2024 to December 31, 2024)

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

| | Net Sales | | EBITDA* | | Operating Profit | | Ordinary Profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|---|---|
| First Quarter ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| December 31, 2024 | 1,309 | 9.8 | 459 | 16.5 | 365 | 18.7 | 367 | 19.1 | 235 | 13.4 |
| December 31, 2023 | 1,192 | 49.4 | 394 | 29.5 | 307 | 31.3 | 308 | 29.6 | 207 | 25.6 |

(Note) Comprehensive income: First Quarter ended December 31, 2024: 238 million yen (13.7%) First Quarter ended December 31, 2023: 209 million yen (27.9%)

* EBITDA = Operating profit + Depreciation (property, plant and equipment; intangible assets) + Amortization of goodwill

| | Profit per share | Diluted profit per share |
|---|---|---|
| First Quarter ended | Yen | Yen |
| December 31, 2024 | 4.97 | — |
| December 31, 2023 | 4.38 | — |

(2) Consolidated financial position

| | Total Assets | Net Assets | Shareholders' Equity Ratio |
|---|---|---|---|
| | Millions of Yen | Millions of Yen | % |
| First Quarter ended December 31, 2024 | 5,865 | 3,780 | 64.4 |
| Fiscal year ended September 30, 2024 | 6,175 | 3,834 | 62.1 |

(Reference) Shareholder's equity: First Quarter ended December 31, 2024: 3,780 million yen Fiscal year ended September 30, 2024: 3,834 million yen

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2. Cash dividends

| | Annual cash dividends per share | | | | |
|---|---|---|---|---|---|
| | First Quarter End | Second Quarter End | Third Quarter End | Fiscal Year End | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal Year ended September 30, 2024 | — | 0.00 | — | 6.50 | 6.50 |
| Fiscal Year ending September 30, 2025 | — | | | | |
| Fiscal Year ending September 30, 2025 (forecast) | | 0.00 | — | 7.50 | 7.50 |

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

3. Forecast for the consolidated financial results for the fiscal year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

（% indicates year on year change for each quarter and full-year）

| | Net Sales | | EBITDA* | | Operating Profit | | Ordinary Profit | | Profit attributable to owners of parent | | Profit Per Share |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| First Half（Cumulative） | 2,650 | 8.3 | 880 | 4.2 | 700 | 4.6 | 700 | 3.7 | 490 | 7.0 | 10.33 |
| Full Year | 5,600 | 11.8 | 2,000 | 11.4 | 1,600 | 11.2 | 1,600 | 10.5 | 1,100 | 19.6 | 23.18 |

(Note) Changes in consolidated financial results forecasts subsequent to most recent announcement: No
* EBITDA = Operating profit + Depreciation (property, plant and equipment; intangible assets) + Amortization of goodwill

* Notes

（１）Significant changes in the scope of consolidation during the period: Yes
Newly included: THE WORLD MANAGEMENT PTE LTD

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

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

① Changes in accounting policies due to the revision of accounting standards： None
② Changes in accounting policies other than ①： None
③ Changes in accounting estimates： None
④ Restatements： None

（４）Number of issued shares (common shares)

| | | | | |
|---|---|---|---|---|
| ① Number of issued shares at the end of the fiscal year (including treasury shares): | First quarter ended December 31, 2024 | 48,132,000 Shares | Fiscal Year ended September 30, 2024 | 48,132,000 Shares |
| ② Number of treasury shares at the end of the fiscal year: | First quarter ended December 31, 2024 | 674,706 Shares | Fiscal Year ended September 30, 2024 | 674,706 Shares |
| ③ Average number of shares during the period (quarter-to-date) | First quarter ended December 31, 2024 | 47,457,294 Shares | First quarter ended December 31, 2023 | 47,472,094 Shares |

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* Explanation of appropriate use of performance forecasts and other special notes.
The statements regarding forecast of financial results in this report are based on information that is available to the Company, as well as certain assumptions that are deemed to be reasonable, and we make no promise that such statements will prove to be correct. Additionally, actual performance may differ materially due to various factors
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# 1. Qualitative Information on Financial Results for the First quarter ended December 31, 2024

## Explanation of Operating Results

Consolidated operating results for the first quarter of the current fiscal year were as follows: net sales of 1,309,388 thousand yen (up 116,873 thousand yen or 9.8% year-on-year), operating income of 365,351 thousand yen (up 57,578 thousand yen or 18.7% year-on-year), ordinary income of 367,013 thousand yen (up 58,947 thousand yen or 19.1% year-on-year), net income attributable to shareholders of the parent company was 235,850 thousand yen (up 27,861 thousand yen, or 13.4% year on year).

（Medical and Nursing Care Cloud Platform Business）

ⅰ Kanamic Cloud Service

The Kanamic Cloud Service primarily operates on a stock business model, where the revenue is based on the stock portion from existing customers. As a result of continuously acquiring new customers, net sales for the Kanamic Cloud Service reached 757,563 thousand yen (up 118,831 thousand yen or 18.6% year on year).

ⅱ Platform Services

Platform Services consists of website development work commissioned by major nursing care providers, as well as the commissioned creation of websites for nursing care providers through the Public Interest Incorporated Foundation Care Worker Stability Center. These operations and management have become a stable revenue base. Additionally, services such as internet advertising providing care-related information and personnel matching services in the nursing care industry have performed well, resulting in net sales of 113,082 thousand yen (up 12,196 thousand yen or 12.1% year on year).

ⅲ Other Services

As for other services, net sales amounted to 15 thousand yen, primarily from custom development commissioned by large clients (up 16,776 thousand yen or 70.0% year on year).

As a result, segment sales were 911,392 thousand yen (up 147,803 thousand yen, or 19.4% year on year), and segment income was 375,538 thousand yen (up 64,925 thousand yen or 20.9% year on year) due to an increase in cost of sales, including personnel expenses for platform services, and selling, general and administrative expenses.

（Healthy Lifespan Extension Business）

ⅰ Healthy Lifespan Extension Services

This service involves the operation of a 24-hour fitness gym, franchise expansion, and the provision of services that contribute to extending healthy life expectancy through these real stores. In the directly managed stores, the number of users at existing locations has steadily increased, and new stores and users have also grown. However, due to delays in the opening of some franchisee stores, net sales amounted to 279,142 thousand yen (decreased 1,080 thousand yen or 0.4% year-on-year).

This segment consists of the single service mentioned above, and the segment sales are the same as the sales from the healthy lifespan extension service. Additionally, due to new store openings and an increase in headquarters staff aimed at expanding the business scale in the future, costs temporarily increased. However, as a result of efforts to reduce store operation costs, such as digital transformation (DX) of store management, segment profit amounted to 34,111 thousand yen (segment loss of 7,955 thousand yen in the same period of the previous year).

（Solution Development Business）

ⅰ Solution Services

In this service, we provide web service planning and development using the Ruby programming language. While the web service planning and development has been progressing steadily, as a result of a review of the allocation of engineers within our group, net sales amounted to 118,853 thousand yen (decreased 29,849 thousand yen or 20.1% year-on-year).

This segment consists of the single service mentioned above, and the segment profit, after deducting the cost of sales and selling, and general administrative expenses from the sales of the solution service, was 8,583 thousand yen (decreased 6,714 thousand yen or 43.9% year on year).

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### （1）Quarterly Consolidated Balance Sheet

(Thousands of yen)

| | As of September 30, 2024 | As of December 31, 2024 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 3,430,050 | 2,678,448 |
| Accounts receivable - trade | 223,727 | 230,260 |
| Contract assets | 25,951 | 23,104 |
| Merchandise | 463 | 1,207 |
| Work in process | 6,239 | 1,968 |
| Supplies | 499 | 349 |
| Prepaid expenses | 74,730 | 74,770 |
| Current portion of long-term loans receivable | 1,236 | 1,237 |
| Other | 105,144 | 114,400 |
| Allowance for doubtful accounts | △8,641 | △8,903 |
| Total current assets | 3,859,400 | 3,116,843 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings, net | 576,287 | 632,705 |
| Vehicles, net | 7,584 | 6,862 |
| Tools, furniture and fixtures, net | 303,423 | 298,327 |
| Leased assets, net | 17,596 | 44,248 |
| Construction in progress | 1,250 | － |
| Total property, plant and equipment | 906,141 | 982,144 |
| Intangible assets | | |
| Software | 622,292 | 623,956 |
| Goodwill | 470,030 | 858,316 |
| Other | 76 | 76 |
| Total intangible assets | 1,092,399 | 1,482,349 |
| Investments and other assets | | |
| Investments in capital | 500 | 500 |
| Long-term loans receivable | 24,798 | 24,488 |
| Distressed receivables | 2,212 | 2,212 |
| Long-term prepaid expenses | 6,375 | 4,979 |
| Deferred tax assets | 56,129 | 38,745 |
| Leasehold and guarantee deposits | 209,435 | 195,107 |
| Insurance funds | 20,384 | 20,753 |
| Allowance for doubtful accounts | △2,212 | △2,212 |
| Total investments and other assets | 317,622 | 284,573 |
| Total non-current assets | 2,316,164 | 2,749,067 |
| Total assets | 6,175,564 | 5,865,910 |

(Thousands of yen)

| | As of September 30, 2024 | As of December 31, 2024 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 87,490 | 48,267 |
| Current portion of bonds payable | 50,000 | 50,000 |
| Current portion of long-term borrowings | 280,518 | 279,981 |
| Lease liabilities | 3,742 | 8,174 |
| Accounts payable - other | 108,357 | 122,689 |
| Accrued expenses | 80,128 | 82,820 |
| Income taxes payable | 253,401 | 115,691 |
| Accrued consumption taxes | 106,997 | 79,374 |
| Contract liabilities | 483,674 | 471,243 |
| Deposits received | 19,679 | 32,437 |
| Provision for bonuses | 61,223 | 32,153 |
| Asset retirement obligations | 16,000 | 16,000 |
| Other | 27,545 | 27,374 |
| Total current liabilities | 1,578,757 | 1,366,208 |
| Non-current liabilities | | |
| Bonds payable | 15,000 | — |
| Long-term borrowings | 580,437 | 511,830 |
| Lease liabilities | 2,318 | 25,643 |
| Deferred tax liabilities | 75,090 | 79,627 |
| Asset retirement obligations | 88,348 | 101,627 |
| Other | 800 | 800 |
| Total non-current liabilities | 761,993 | 719,527 |
| Total liabilities | 2,340,750 | 2,085,736 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 192,060 | 192,060 |
| Capital surplus | 132,060 | 132,060 |
| Retained earnings | 3,906,669 | 3,834,047 |
| Treasury shares | △404,938 | △404,938 |
| Total shareholders' equity | 3,825,850 | 3,753,229 |
| Accumulated other comprehensive income | | |
| Foreign currency translation adjustment | 8,963 | 26,944 |
| Total accumulated other comprehensive income | 8,963 | 26,944 |
| Total net assets | 3,834,813 | 3,780,173 |
| Total liabilities and net assets | 6,175,564 | 5,865,910 |

（２）Quarterly Consolidated Statement of Income and Comprehensive Income

（Quarterly Consolidated Statement of Income）

（Three months ended December 31, 2024）

(Thousands of yen)

| | Three months ended December 31, 2023 | Three months ended December 31, 2024 |
|---|---|---|
| Net sales | 1,192,515 | 1,309,388 |
| Cost of sales | 460,836 | 487,384 |
| Gross profit | 731,679 | 822,004 |
| Selling, general and administrative expenses | 423,905 | 456,652 |
| Operating profit | 307,773 | 365,351 |
| Non-operating income | | |
| Interest income | 122 | 124 |
| Gain on sale of goods | － | 513 |
| Commission income | 1,968 | 2,318 |
| Miscellaneous income | 480 | 404 |
| Total non-operating income | 2,572 | 3,361 |
| Non-operating expenses | | |
| Interest expenses | 1,779 | 1,487 |
| Foreign exchange losses | 436 | 211 |
| Miscellaneous losses | 63 | 1 |
| Total non-operating expenses | 2,279 | 1,700 |
| Ordinary profit | 308,065 | 367,013 |
| Extraordinary income | | |
| Gain on sale of shares of subsidiaries and associates | 5,897 | － |
| Total extraordinary income | 5,897 | － |
| Profit before income taxes | 313,963 | 367,013 |
| Income taxes - current | 90,039 | 109,242 |
| Income taxes - deferred | 15,935 | 21,920 |
| Total income taxes | 105,974 | 131,162 |
| Profit | 207,989 | 235,850 |
| Profit attributable to owners of parent | 207,989 | 235,850 |

（Quarterly Consolidated Statement of Comprehensive Income）

（Three months ended December 31, 2024）

(Thousands of yen)

| | Three months ended December 31, 2023 | Three months ended December 31, 2024 |
|---|---|---|
| Profit | 207,989 | 235,850 |
| Other comprehensive income | | |
| Foreign currency translation adjustment | 1,689 | 2,562 |
| Total other comprehensive income | 1,689 | 2,562 |
| Comprehensive income | 209,678 | 238,413 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 209,678 | 238,413 |
| Comprehensive income attributable to non-controlling interests | — | — |