

Consolidated Financial Statements for the Fiscal Year Ended December 31, 2025 [Japanese GAAP]



February 13, 2026

Company name: AUCNET INC.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 3964
 URL: <https://www.aucnet.co.jp/en/>
 Representative: Shinichiro Fujisaki, Representative Director and President & CEO
 Contact: Hiroki Taniguchi, Director, Senior Managing Executive Officer & CFO
 Phone: +81-3-6440-2552
 Scheduled date of general shareholders meeting: March 24, 2026
 Scheduled date of commencing dividend payments: March 25, 2026
 Scheduled date of filing securities report: March 23, 2026
 Preparation of supplementary explanatory materials: Yes
 Financial results briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Results for the Fiscal Year Ended December 31, 2025 (January 1, 2025 -December 31, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

Year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2025	64,139	14.7	9,517	35.9	9,521	32.1	5,921	32.0
December 31, 2024	55,910	29.1	7,005	5.1	7,207	6.7	4,485	2.7

(Note) Comprehensive income: Year ended December 31, 2025: ¥5,873 million [21.4%]

Year ended December 31, 2024: ¥4,838 million [9.4%]

Year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
December 31, 2025	129.85	–	22.7	20.1	14.8
December 31, 2024	94.22	93.95	18.7	17.6	12.5

(Reference) Share of profit (loss) of entities accounted for using equity method:

Year ended December 31, 2025: ¥(31) million

Year ended December 31, 2024: ¥24 million

(Note) The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025. Basic earnings per share and diluted earnings per share have been calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2025	50,781	26,622	51.9	580.82
As of December 31, 2024	44,040	26,166	58.8	542.04

(Reference) Equity: As of December 31, 2025: ¥26,346 million

As of December 31, 2024: ¥25,898 million

(Note) The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025. Net assets per share have been calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Year ended	Million yen	Million yen	Million yen	Million yen
December 31, 2025	12,745	(1,068)	(5,557)	23,104
December 31, 2024	4,853	(3,474)	(4,066)	16,980

2. Cash Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
December 31, 2024	–	28.00	–	48.00	76.00	1,842	40.3	7.5
Year ended	–	22.00	–	36.00	58.00	2,668	44.7	10.3
December 31, 2025	–	(44.00)	–	(72.00)	(116.00)			
Year ending	–	20.00	–	20.00	40.00		50.4	
December 31, 2026 (Forecast)	–	(80.00)	–	(80.00)	(160.00)			

(Note) The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025. In addition, the Company will conduct a share split at a ratio of 2 shares for each common share of the Company on April 1, 2026. Therefore, the dividends per share for the year ended December 31, 2025 and the year ending December 31, 2026 (Forecast) reflect the amounts after taking into account the share splits. The dividends per share for the year ended December 31, 2025 and the year ending December 31, 2026 (Forecast) before taking into account the share splits are presented in parentheses.

3. Forecast of Consolidated Results for the Fiscal Year Ending December 31, 2026 (January 1, 2026 - December 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	71,000	10.7	11,000	15.6	10,850	13.9	7,200	21.6	79.30

(Note) Basic earnings per share in the forecast of results (full year) for the fiscal year ending December 31, 2026 is the amount considering the impact of the share split (a ratio of 2 shares for each common share). Basic earnings per share in the forecast of results (full year) for the fiscal year ending December 31, 2026 without considering the share split would be 158.60 yen.

* Notes:

- (1) Significant changes in the scope of consolidation during the period: Yes
 Newly included: 1 company AUCNET ASIA-PACIFIC PTE. LTD.
 Excluded: 6 companies Defactostandard, Ltd.
 AUCNET IBS INC.
 AUCNET MOTORCYCLE INC.
 AUCNET AGRI BUSINESS INC.
 AUCNET CONSUMER PRODUCTS INC.
 AUCNETMEDICAL INC.

(Note) Defactostandard, Ltd. was dissolved as a result of an absorption-type merger effective July 1, 2025, with Gallery Rare Ltd., a consolidated subsidiary of the Company, as the surviving entity. Accordingly, it has been excluded from the scope of consolidation.
 AUCNET IBS INC. completed liquidation as of September 30, 2025. Accordingly, it has been excluded from the scope of consolidation.

AUCNET MOTORCYCLE INC., AUCNET AGRI BUSINESS INC., AUCNET CONSUMER PRODUCTS INC., and AUCNETMEDICAL INC. were dissolved as a result of an absorption-type merger effective December 31, 2025, with the Company as the surviving entity. Accordingly, they have been excluded from the scope of consolidation.

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: None
- 3) Changes in accounting estimates: Yes
- 4) Retrospective restatement: None

(3) Total number of issued and outstanding shares (common shares)

1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

December 31, 2025:	48,026,400 shares
December 31, 2024:	49,526,400 shares

2) Total number of treasury shares at the end of the period:

December 31, 2025:	2,666,081 shares
December 31, 2024:	1,745,866 shares

3) Average number of shares during the period:

Year ended December 31, 2025:	45,603,529 shares
Year ended December 31, 2024:	47,607,660 shares

(Note) The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025. The total number of issued and outstanding shares at the end of the period, total number of treasury shares at the end of the period, and average number of shares outstanding during the period have been calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(Reference) Summary of Non-consolidated Results**1. Non-consolidated Results for the Fiscal Year Ended December 31, 2025 (January 1, 2025 - December 31, 2025)****(1) Non-consolidated Operating Results** (% indicates changes from the previous corresponding period.)

Year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2025	23,745	28.6	5,373	70.9	7,672	124.1	6,998	174.7
December 31, 2024	18,458	13.3	3,143	6.7	3,424	(52.6)	2,547	(58.5)

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
December 31, 2025	153.47	—
December 31, 2024	53.51	53.36

(Note) The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025. Basic earnings per share and diluted earnings per share have been calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2025	41,706	20,233	48.5	446.07
As of December 31, 2024	34,282	18,774	54.8	392.94

(Reference) Equity: As of December 31, 2025: ¥20,233 million

As of December 31, 2024: ¥18,774 million

(Note) The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025. Net assets per share have been calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.

* These financial results are outside the scope of audit procedures by certified public accountants or an audit firm.

*** Explanation of the proper use of performance forecast and other notes**

The earnings forecast and other forward-looking statements herein are based on the information currently available and certain assumptions deemed reasonable by the Company, and the Company does not guarantee their achievement. In addition, actual results may differ significantly from these forecasts due to a wide range of factors. For cautionary notes on assumptions that form the basis of the performance forecast and the use of the performance forecast, please see “1. Overview of Business Results, etc. (4) Future Outlook” on page 6 of the attachments.

Table of Contents - Attachments

1. Overview of Business Results, etc.	2
(1) Overview of Business Results for the Fiscal Year under Review	2
(2) Overview of Financial Position for the Fiscal Year under Review	5
(3) Overview of Cash Flows for the Fiscal Year under Review	5
(4) Future Outlook	6
2. Basic Policy on Selecting Accounting Standard	7
3. Consolidated Financial Statements and Primary Notes	8
(1) Consolidated Balance Sheets	8
(2) Consolidated Statements of Income and Comprehensive Income	10
Consolidated Statements of Income	10
Consolidated Statements of Comprehensive Income	11
(3) Consolidated Statements of Changes in Equity	12
(4) Consolidated Statements of Cash Flows	14
(5) Notes to Consolidated Financial Statements	16
(Notes on going concern assumption)	16
(Changes in accounting policies)	16
(Changes in accounting estimates)	16
(Segment information, etc.)	17
(Per share information)	20
(Significant subsequent events)	21

1. Overview of Business Results, etc.

(1) Overview of Business Results for the Fiscal Year under Review

Forward-looking statements in this document are based on the judgments of the Group (the Company and its consolidated subsidiaries) as of the end of the fiscal year under review.

The Group has undertaken the task of establishing a circular market in line with our sustainability policy, “Circulating valuable goods on a global scale ~ Circulation Engine.” As a company that contributes to a sustainable society by creating a system to efficiently circulate valuable goods in the market, the Group works to further improve its social and economic value.

In the medium-term management plan, Blue Print 2027, formulated in February 2025, we aim to create the future of the circular economy with our partners around the world. We have set out a roadmap for achieving this goal, with a long-term target of GCV ¥1 trillion and medium-term quantitative targets of 1) EBITDA of ¥10.0 billion, 2) ROE of 15 to 20%, and 3) payout ratio of 40% or more. To achieve this goal, we have accelerated sustainable growth based on stable business foundations and further expanded the management base for the next stage.

As a result of promoting business in line with such plans, for the fiscal year ended December 31, 2025, the Group’s net sales were ¥64,139,920 thousand (up 14.7% from the previous fiscal year), operating profit was ¥9,517,806 thousand (up 35.9% from the previous fiscal year), ordinary profit was ¥9,521,733 thousand (up 32.1% from the previous fiscal year), and profit attributable to owners of parent was ¥5,921,726 thousand (up 32.0% from the previous fiscal year), as company-wide one-time costs were incurred for 40th anniversary-related measures and other factors, while the Lifestyle Products segment saw a favorable trend of performance.

	For the year ended December 31, 2025	Year-on-year change
Net sales	¥64,139,920 thousand	+14.7%
Operating profit	¥9,517,806 thousand	+35.9%
Ordinary profit	¥9,521,733 thousand	+32.1%
Profit attributable to owners of parent	¥5,921,726 thousand	+32.0%

Performance results by business segment are as follows.

(Lifestyle Products segment)

The Lifestyle Products segment comprises the Digital Product Business and Fashion Resale Business.

(1) Digital Product Business

The Digital Product Business provides auctions for used digital products, including used smartphones and used PCs, and services pertaining to distribution, including those targeting consumers.

As a result of continuously strengthening collaboration with domestic suppliers and enhancing our buying power, both the number of units sold and the transaction amount significantly exceeded the previous year, showing a favorable trend of performance. In addition, we focused on revitalizing auctions by approaching active buyers, while also enhancing efficient operations of asset value recovery for devices.

	For the year ended December 31, 2025	Year-on-year change
Transaction amount (million yen)	83,927	+71.3%
Number of units sold (unit)	2,549,758	+53.7%
Number of members (member)	2,103	+3.2%

(2) Fashion Resale Business

The Fashion Resale Business provides auctions primarily for pre-owned luxury brand items such as bags, watches, precious metals, and clothing, as well as services pertaining to distribution, including those targeting consumers. From the beginning of the second quarter of the fiscal year ended December 31, 2024, Defactostandard, Ltd. and JOYLAB, inc. have been included in the Company's scope of consolidation, and the results of the two companies have been included in those of the Company's.

In addition, on July 1, 2025, the Company conducted an absorption-type merger, in which Gallery Rare Ltd., a consolidated subsidiary of the Company, was the surviving company, and Defactostandard, Ltd. was the absorbed company. The merger was carried out with the objective of maximizing business synergies through the integration of the resources, know-how, and channels held by both companies. Although the merger was on an equal basis, for procedural purposes Gallery Rare Ltd. was designated as the surviving company and subsequently changed its trade name to CircLuxe Inc. following the merger.

In the BtoB business, in addition to the continued growth of the market, the number of items listed and the number of items sold at auctions increased due to the rise in the number of auction members as a result of our digital marketing and the demand for cashing of inventory. As a result, the transaction amount remained on the same level as the previous year, despite the fall in the average unit price of items sold. Furthermore, as a result of our partial revision of the auction commission fees system, profitability increased.

In the business targeting consumers, the transaction amount showed a softening trend partly due to the closure of certain stores and the impact of the U.S. tariff policy. Meanwhile, we advanced organizational restructuring aimed at strengthening group synergies and integrated our merchandising centers.

		For the year ended December 31, 2025	Year-on-year change
BtoB business	Transaction amount (million yen)	52,608	+1.1%
	Items listed (item)	1,517,061	+19.0%
	Items sold (item)	956,584	+12.7%
	Number of members (member)	6,883	+17.2%
Business targeting consumers	Transaction amount (million yen)	19,199	+7.6%

As a result, for the fiscal year ended December 31, 2025, net sales were ¥45,208,634 thousand (up 17.5% from the previous fiscal year) and operating profit was ¥8,393,795 thousand (up 56.5% from the previous fiscal year).

	For the year ended December 31, 2025	Year-on-year change
Net sales	¥45,208,634 thousand	+17.5%
Operating profit	¥8,393,795 thousand	+56.5%

(Mobility & Energy segment)

The Mobility & Energy segment comprises the Automobile Business and Motorcycle Business.

(1) Automobile Business

The Automobile Business provides used vehicle auctions (*1), shared inventory market (*2), live relay broadcast auctions (*3), proxy bidding service (*4), used vehicle inspection service (*5), and other services.

In the Japanese automotive sector, which has close connections with our business, total new vehicle registrations (*6) increased 3.3% year on year to 4.56 million units in the fiscal year ended December 31, 2025. The total number of used vehicle registrations (*7) decreased 0.2% year on year to 6.48 million units, and the number of used vehicles listed at auctions around Japan (*8) increased 6.8% year on year to 8.01 million units. The total number of used vehicles sold at auctions (*8) increased 4.1% year on year to 5.49 million units.

The demand for used vehicles remained strong, and the total number of vehicles sold/bought increased across our own auctions, shared inventory market, live relay broadcast auctions, and the proxy bidding service. In addition, the rise in the average unit price of vehicles sold led to an increase in the transaction amount. Meanwhile, costs associated with the releases of our new core system “BASE” (continued from the second quarter) and our membership website “AUCNET CARS” (continued from the third quarter).

Also, demand for the inspection service for a used vehicle listing platform continued to be high and the number of used vehicles inspected increased, resulting in strong performance.

	For the year ended December 31, 2025	Year-on-year change
Transaction amount (million yen)	560,097	+12.1%
Total vehicles sold/bought (unit)	553,090	+5.5%
Number of members (member)	16,056	+3.6%
Number of used vehicles inspected (*9) (unit)	1,580,222	+13.2%

(2) Motorcycle Business

The Motorcycle Business provides used motorcycle auctions (*1), shared inventory market (*2), proxy bidding service (*4), used vehicle inspection service (*5), rental service, and subscription service targeting individuals.

The transaction amount increased owing to increases in the number of vehicles listed by major domestic dealers and the number of auctions won by exporters, as well as the increased average price of vehicles sold.

	For the year ended December 31, 2025	Year-on-year change
Transaction amount (million yen)	12,965	+19.3%
Total vehicles sold/bought (unit)	33,270	+12.1%
Number of members (member)	2,569	(2.0)%

As a result, for the fiscal year ended December 31, 2025, net sales were ¥16,122,770 thousand (up 9.7% from the previous fiscal year) and operating profit was ¥3,464,344 thousand (down 5.9% from the previous fiscal year).

	For the year ended December 31, 2025	Year-on-year change
Net sales	¥16,122,770 thousand	+9.7%
Operating profit	¥3,464,344 thousand	(5.9)%

- (*1) The used car and used motorcycle auctions are real-time, members-only online auctions run by the Company.
- (*2) The shared inventory market is a system that allows Aucnet Group member sellers to share inventory with other members online. The inventory remains at the seller’s premises while other members access it via the online system.
- (*3) The live relay broadcast auctions use an online live-link system that enables real-time remote access to participate at physical auction sites, through partnerships between AUCNET and the physical auction sites.
- (*4) The proxy bidding service is an agency service provided by i-Auc, Inc. to buy, sell, settle payment for and arrange for transportation of used cars and used motorcycles at auctions on behalf of its members.
- (*5) The used vehicle inspection service and related inspection skills training services are provided by AIS INC.
- (*6) Based on statistics compiled by Japan Automobile Dealers Association

(*7) Based on statistics compiled by Japan Automobile Dealers Association and Japan Light Motor Vehicle and Motorcycle Association

(*8) Based on the 2025 U-Car Full Data Book and Export Quotation Book

(*9) Total number of used cars and used motorcycles inspected

(Other)

The Other segment comprises the Agricultural Business and Circular Commerce Business.

The Agricultural Business provides online auctions and physical markets for flowers and engages in the production and sale of phalaenopsis orchids. The Circular Commerce Business provides services that support partners in creating secondary distribution businesses.

For the fiscal year ended December 31, 2025, net sales (including inter-segment net sales) were ¥3,317,726 thousand (up 8.6% from the previous fiscal year) and operating loss was ¥371,759 thousand (the operating loss for the previous fiscal year was ¥362,368 thousand).

	For the year ended December 31, 2025	Year-on-year change
Net sales	¥3,317,726 thousand	+8.6%
Operating loss	¥(371,759) thousand	—

(2) Overview of Financial Position for the Fiscal Year under Review

(Assets)

Current assets as of the end of the fiscal year under review amounted to ¥40,642,763 thousand (up 21.2% from the end of the previous fiscal year). This is mainly attributable to a ¥6,123,694 thousand increase in cash and deposits and a ¥1,477,689 thousand increase in due from auction members.

Non-current assets amounted to ¥10,138,989 thousand (down 3.5% from the end of the previous fiscal year). This is mainly attributable to a ¥533,995 thousand decrease in investment securities and a ¥1,150,510 thousand decrease in goodwill, despite a ¥733,557 thousand increase in software.

(Liabilities)

Current liabilities as of the end of the fiscal year under review amounted to ¥21,797,554 thousand (up 50.2% from the end of the previous fiscal year). This is mainly attributable to a ¥5,821,069 thousand increase in due to auction members and a ¥914,783 thousand increase in income taxes payable.

Non-current liabilities amounted to ¥2,361,608 thousand (down 29.8% from the end of the previous fiscal year). This is mainly attributable to a ¥1,065,997 thousand decrease in retirement benefit liability.

(Net assets)

Net assets as of the end of the fiscal year under review amounted to ¥26,622,589 thousand (up 1.7% from the end of the previous fiscal year). This is mainly attributable to a ¥3,745,434 thousand increase in retained earnings, despite a ¥1,712,271 thousand decrease in capital surplus and a ¥1,398,853 thousand increase in treasury shares.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents as of the end of the fiscal year under review amounted to ¥23,104,387 thousand, an increase of ¥6,123,694 thousand from the end of the previous fiscal year.

The status of cash flows by activity in the fiscal year ended December 31, 2025, and the main factors affecting cash flows are as follows.

(Cash Flows from Operating Activities)

Cash provided by operating activities during the fiscal year under review amounted to ¥12,745,018 thousand (up 162.6% from the previous fiscal year). As a main breakdown of inflows, profit before income taxes was

¥8,978,942 thousand and increase in due to auction members was ¥5,821,077 thousand. As a main breakdown of outflows, income taxes paid were ¥2,374,113 thousand, increase in retirement benefit liability was ¥977,682 thousand, and increase in due from auction members was ¥1,477,374 thousand.

(Cash Flows from Investing Activities)

Cash used in investing activities during the fiscal year under review amounted to ¥1,068,285 thousand (down 69.3% from the end of the previous fiscal year). As a main breakdown of outflows, purchase of intangible assets was ¥1,261,545 thousand and purchase of property, plant and equipment was ¥437,008 thousand.

(Cash Flows from Financing Activities)

Cash used in financing activities during the fiscal year under review amounted to ¥5,557,738 thousand (up 36.7% from the previous fiscal year). As a main breakdown of outflows, purchase of treasury shares was ¥3,533,530 thousand and dividends paid were ¥2,175,506 thousand.

(4) Future Outlook

Regarding the future outlook, whereas the gradual economic recovery is expected to continue amid improvements concerning employment and incomes, there is also a need for continued monitoring of price trends, trends regarding U.S. trade policies, and fluctuations in financial and capital markets, etc.

Based on the recent business performance, the Group has partially revised its medium-term management plan, Blue Print 2027, covering the three years from 2025 to 2027, as follows.

	Blue Print 2027	Blue Print 2027 Partially Revised
Time of Disclosure	February 2025	February 2026
Vision	Working with partners worldwide to shape the future of the circular economy.	No change
Long-term target	GCV: ¥1 trillion	No change
Medium-term quantitative targets	EBITDA: ¥10.0 billion ROE: 15 to 20% Payout ratio: 40% or higher	EBITDA: ¥13.5 billion ROE: 15 to 20% Payout ratio: 50% or higher

For the forecast of the consolidated results for the fiscal year ending December 31, 2026, the Company expects net sales of ¥71,000 million (up 10.7% year on year), operating profit of ¥11,000 million (up 15.6% year on year), ordinary profit of ¥10,850 million (up 13.9% year on year), and profit attributable to owners of parent of ¥7,200 million (up 21.6% year on year).

Regarding the forecast of consolidated results for the fiscal year ending December 31, 2026, our assumptions are as follows.

(1) Lifestyle Products segment

(Digital Product Business)

We aim to achieve growth through the increase of the number of units sold by strengthening sourcing, responding to the GIGA (Global and Innovation Gateway for All) School Program, strengthening the asset value recovery operation system, expanding our buyer network, and other actions.

(Fashion Resale Business)

In the BtoB business, we aim to achieve growth through increases of the number of items listed and the number of items sold by embarking on auction platform reforms in addition to enhancing sales and operation systems. In the business targeting consumers, we aim to achieve growth through the expansion of transaction

amount by strengthening our promotional activities as well as enhancing purchase and sale services with the release of an application and other actions.

(2) Mobility & Energy segment
(Automobile Business and Motorcycle Business)

We aim to achieve growth through increases of the number of vehicles inspected and the number of members, in addition to the number of vehicles listed and the number of vehicles sold at auctions, by releasing a new membership website and strengthening our vehicle inspection system.

(3) Common costs

We assume cost decreases year on year owing to factors including the incurrence of expenses related to the 40th anniversary in the fiscal year ended December 2025, despite corporate expenses, which will include those for base salary increases, expanded investment in human capital, as well as those for enhancing the governance system as the Group.

2. Basic Policy on Selecting Accounting Standards

The Company continues to prepare consolidated financial statements in accordance with the Japanese standards for the time being, taking into account the comparability of consolidated financial statements over different accounting periods and between companies.

The Company will appropriately respond to the adoption of the international accounting standards considering various conditions in Japan and overseas.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Thousand yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	16,980,692	23,104,387
Notes and accounts receivable - trade, and contract assets	1,755,289	1,967,398
Due from auction members	4,978,666	6,456,355
Inventories	4,377,881	4,410,473
Consumption taxes refund receivable	3,200,199	2,872,999
Other	2,337,462	1,986,626
Allowance for doubtful accounts	(92,889)	(155,477)
Total current assets	33,537,302	40,642,763
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,303,272	2,299,209
Accumulated depreciation and impairment loss	(1,664,571)	(1,604,919)
Buildings and structures, net	638,700	694,289
Land	789,881	789,881
Other	1,724,324	1,646,367
Accumulated depreciation and impairment loss	(1,347,309)	(1,190,806)
Other, net	377,014	455,561
Total property, plant and equipment	1,805,596	1,939,732
Intangible assets		
Software	1,829,684	2,563,241
Goodwill	1,345,391	194,880
Other	6,704	6,612
Total intangible assets	3,181,779	2,764,735
Investments and other assets		
Investment securities	2,491,497	1,957,501
Deferred tax assets	1,280,900	1,807,274
Other	2,061,749	1,989,903
Allowance for doubtful accounts	(318,170)	(320,157)
Total investments and other assets	5,515,977	5,434,521
Total non-current assets	10,503,353	10,138,989
Total assets	44,040,655	50,781,752

(Thousand yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	1,044,057	949,015
Due to auction members	9,340,069	15,161,139
Income taxes payable	1,403,155	2,317,939
Provision for bonuses	364,839	946,699
Provision for loss on store closings	86,135	–
Other provisions	29,503	–
Other	2,243,067	2,422,759
Total current liabilities	14,510,828	21,797,554
Non-current liabilities		
Retirement benefit liability	1,916,230	850,233
Provision for share-based remuneration	171,605	214,115
Other	1,275,748	1,297,260
Total non-current liabilities	3,363,584	2,361,608
Total liabilities	17,874,413	24,159,163
Net assets		
Shareholders' equity		
Share capital	1,807,303	1,807,303
Capital surplus	4,491,088	2,778,816
Retained earnings	20,518,859	24,264,293
Treasury shares	(1,589,978)	(2,988,831)
Total shareholders' equity	25,227,272	25,861,581
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	406,191	155,533
Foreign currency translation adjustment	246,699	249,918
Remeasurements of defined benefit plans	18,806	79,040
Total accumulated other comprehensive income	671,697	484,492
Non-controlling interests	267,272	276,514
Total net assets	26,166,242	26,622,589
Total liabilities and net assets	44,040,655	50,781,752

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

(Thousand yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Net sales	55,910,315	64,139,920
Cost of sales	33,624,941	37,145,071
Gross profit	22,285,373	26,994,848
Selling, general and administrative expenses	15,280,313	17,477,042
Operating profit	7,005,060	9,517,806
Non-operating income		
Interest income	5,912	32,319
Dividend income	60,316	78,862
Foreign exchange gains	70,290	–
Share of profit of entities accounted for using equity method	24,593	–
Subsidy income	18,693	26,673
Other	43,665	95,271
Total non-operating income	223,471	233,126
Non-operating expenses		
Interest expenses	1,598	250
Foreign exchange losses	–	180,355
Loss on tax purpose reduction entry of non-current assets	15,400	11,230
Share of loss of entities accounted for using equity method	–	31,080
Other	3,774	6,282
Total non-operating expenses	20,772	229,199
Ordinary profit	7,207,758	9,521,733
Extraordinary income		
Gain on sale of non-current assets	19,291	265
Gain on sale of investment securities	4,014	504,720
Gain on step acquisitions	–	16,166
Other	–	8,902
Total extraordinary income	23,306	530,054
Extraordinary losses		
Loss on sale and retirement of non-current assets	2,890	22,685
Impairment loss	135,576	986,200
Provision for loss on store closings	86,135	–
Provision for loss on business liquidation	29,503	–
Other	–	63,958
Total extraordinary losses	254,105	1,072,844
Profit before income taxes	6,976,959	8,978,942
Income taxes - current	2,521,401	3,359,982
Income taxes - deferred	(147,737)	(441,828)
Total income taxes	2,373,664	2,918,153
Profit	4,603,295	6,060,788
Profit attributable to non-controlling interests	117,798	139,062
Profit attributable to owners of parent	4,485,496	5,921,726

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Profit	4,603,295	6,060,788
Other comprehensive income		
Valuation difference on available-for-sale securities	148,587	(250,657)
Foreign currency translation adjustment	91,594	3,219
Remeasurements of defined benefit plans, net of tax	(5,015)	60,234
Total other comprehensive income	235,166	(187,204)
Comprehensive income	4,838,461	5,873,584
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,720,662	5,734,521
Comprehensive income attributable to non-controlling interests	117,798	139,062

(3) Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,807,303	4,205,415	17,340,325	(1,628,338)	21,724,705
Changes during period					
Dividends of surplus			(1,371,462)		(1,371,462)
Profit attributable to owners of parent			4,485,496		4,485,496
Purchase of treasury shares				(742,946)	(742,946)
Cancellation of treasury shares					–
Increase (decrease) in retained earnings from newly consolidated subsidiary			64,499		64,499
Disposal of treasury shares		285,388		781,306	1,066,695
Increase (decrease) of capital surplus by change of share to consolidated subsidiary		284			284
Increase (decrease) in retained earnings by change in scope of consolidation					–
Net changes in items other than shareholders' equity					
Total changes during period	–	285,672	3,178,533	38,360	3,502,566
Balance at end of period	1,807,303	4,491,088	20,518,859	(1,589,978)	25,227,272

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	257,603	155,104	23,822	436,530	149,758	22,310,994
Changes during period						
Dividends of surplus						(1,371,462)
Profit attributable to owners of parent						4,485,496
Purchase of treasury shares						(742,946)
Cancellation of treasury shares						–
Increase (decrease) in retained earnings from newly consolidated subsidiary						64,499
Disposal of treasury shares						1,066,695
Increase (decrease) of capital surplus by change of share to consolidated subsidiary						284
Increase (decrease) in retained earnings by change in scope of consolidation						–
Net changes in items other than shareholders' equity	148,587	91,594	(5,015)	235,166	117,514	352,681
Total changes during period	148,587	91,594	(5,015)	235,166	117,514	3,855,248
Balance at end of period	406,191	246,699	18,806	671,697	267,272	26,166,242

Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,807,303	4,491,088	20,518,859	(1,589,978)	25,227,272
Changes during period					
Dividends of surplus			(2,176,292)		(2,176,292)
Profit attributable to owners of parent			5,921,726		5,921,726
Purchase of treasury shares				(3,533,530)	(3,533,530)
Cancellation of treasury shares		(1,645,755)		1,645,755	–
Increase (decrease) in retained earnings from newly consolidated subsidiary					–
Disposal of treasury shares		(68,136)		488,921	420,784
Increase (decrease) of capital surplus by change of share to consolidated subsidiary					–
Increase (decrease) in retained earnings by change in scope of consolidation		1,620			1,620
Net changes in items other than shareholders' equity					
Total changes during period	–	(1,712,271)	3,745,434	(1,398,853)	634,309
Balance at end of period	1,807,303	2,778,816	24,264,293	(2,988,831)	25,861,581

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	406,191	246,699	18,806	671,697	267,272	26,166,242
Changes during period						
Dividends of surplus					(108,000)	(2,284,292)
Profit attributable to owners of parent						5,921,726
Purchase of treasury shares						(3,533,530)
Cancellation of treasury shares						–
Increase (decrease) in retained earnings from newly consolidated subsidiary						–
Disposal of treasury shares						420,784
Increase (decrease) of capital surplus by change of share to consolidated subsidiary						–
Increase (decrease) in retained earnings by change in scope of consolidation						1,620
Net changes in items other than shareholders' equity	(250,657)	3,219	60,234	(187,204)	117,241	(69,962)
Total changes during period	(250,657)	3,219	60,234	(187,204)	9,241	456,346
Balance at end of period	155,533	249,918	79,040	484,492	276,514	26,622,589

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	6,976,959	8,978,942
Depreciation	631,590	709,728
Impairment loss	135,576	986,200
Amortization of goodwill	243,045	197,930
Increase (decrease) in allowance for doubtful accounts	48,557	61,538
Increase (decrease) in provision for bonuses	66,797	581,889
Increase (decrease) in retirement benefit liability	24,453	(977,682)
Increase (decrease) in provision for share-based remuneration	93,536	154,743
Increase (decrease) in provision for loss on business liquidation	29,503	(29,503)
Increase (decrease) in provision for loss on store closings	86,135	(86,135)
Increase (decrease) in other provisions	–	90,392
Interest and dividend income	(66,228)	(111,181)
Interest expenses	1,598	250
Share of loss (profit) of entities accounted for using equity method	(24,593)	31,080
Gain on sale of non-current assets	(19,291)	(265)
Loss on sale and retirement of non-current assets	2,890	22,685
Loss (gain) on sale of investment securities	(4,014)	(504,720)
Loss (gain) on step acquisitions	–	(16,166)
Decrease (increase) in trade receivables	(253,739)	(227,781)
Decrease (increase) in due from auction members	(1,084,630)	(1,477,374)
Decrease (increase) in inventories	405,775	(13,139)
Increase (decrease) in trade payables	132,281	(111,825)
Increase (decrease) in due to auction members	1,706,679	5,821,077
Decrease (increase) in consumption taxes refund receivable	(1,386,969)	327,406
Other, net	(354,305)	588,094
Subtotal	7,391,608	14,996,183
Interest and dividends received	66,228	111,181
Interest paid	(8,245)	(250)
Income taxes paid	(2,600,343)	(2,374,113)
Income taxes refund	3,839	12,016
Net cash provided by (used in) operating activities	4,853,087	12,745,018

(Thousand yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(335,840)	(437,008)
Proceeds from sale of property, plant and equipment	30,821	5,493
Purchase of intangible assets	(1,019,336)	(1,261,545)
Proceeds from sale of intangible assets	782	–
Purchase of investment securities	(987,772)	–
Proceeds from sale of investment securities	20,967	604,112
Payments of leasehold and guarantee deposits	(86,370)	(125,831)
Proceeds from lease and guarantee deposits received	71,241	142,555
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(989,928)	–
Other, net	(178,691)	3,938
Net cash provided by (used in) investing activities	(3,474,126)	(1,068,285)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,700,000)	–
Purchase of treasury shares	(742,946)	(3,533,530)
Proceeds from sale of treasury shares	762,537	285,261
Dividends paid	(1,371,584)	(2,175,506)
Other, net	(14,057)	(133,962)
Net cash provided by (used in) financing activities	(4,066,051)	(5,557,738)
Effect of exchange rate change on cash and cash equivalents	94,873	4,699
Net increase (decrease) in cash and cash equivalents	(2,592,217)	6,123,694
Cash and cash equivalents at beginning of period	19,572,910	16,980,692
Cash and cash equivalents at end of period	16,980,692	23,104,387

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes” and other standards)

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter the “2022 Revised Accounting Standard”) and related standards from the beginning of the fiscal year under review.

With respect to the amendments related to the classification of income taxes (taxation on other comprehensive income), the Company has adopted the transitional treatment set forth in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the proviso to Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter the “2022 Revised Implementation Guidance”). These changes in accounting policies had no impact on the consolidated financial statements.

In addition, regarding the amendments related to the treatment in consolidated financial statements of deferred taxation on gains and losses arising from the sale of shares of subsidiaries, etc., the Company has applied the 2022 Revised Implementation Guidance from the beginning of the fiscal year under review. These changes in accounting policies have been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been presented after retrospective application. These changes had no impact on the consolidated financial statements for the previous fiscal year.

(Changes in accounting estimates)

(Change in useful lives of intangible assets)

The Company previously determined the useful lives of software for back-office operations as five years. As the Company replaced its software for back-office operations in the Automobile Business during the fiscal year under review, it re-examined the usable period based on the actual use up to then. As a result, the Company revised its useful lives of software for back-office operations to 10 years, applied from the fiscal year under review. Due to this change, operating profit, ordinary profit, and profit before income taxes for the fiscal year under review increased by ¥108,608 thousand, respectively, compared to those under the previous method.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Company's reportable segments are components of the Company about which separate financial information is available. These segments are subject to periodic examinations to enable the Board of Directors to decide how to allocate management resources and assess performance.

The Company mainly organizes and conducts auctions via the Internet and provides various related information. Its business segments are based on items handled and consist of "Lifestyle Products" and "Mobility & Energy" as reportable segments.

The Lifestyle Products segment comprises auctions for used digital products, including used smartphones and used PCs, and services pertaining to distribution, including those targeting consumers, and auctions mainly for pre-owned luxury brand items, including bags, watches, precious metals, apparel, and services pertaining to distribution, including those targeting consumers. The Mobility & Energy segment comprises used car and motorcycle auctions, shared inventory market, live relay broadcast auctions, proxy bidding service, used vehicle inspection service, and other services.

2. Information on net sales and income (loss) and information on disaggregation of revenue by reportable segment

For the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Thousand yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Lifestyle Products	Mobility & Energy	Total				
Net sales							
Auction related revenue	10,614,653	9,522,152	20,136,806	1,220,624	21,357,430	–	21,357,430
Product sales related revenue	27,759,522	560,341	28,319,863	697,389	29,017,252	–	29,017,252
Other	112,492	4,618,322	4,730,815	804,816	5,535,631	–	5,535,631
Revenue from contracts with customers	38,486,668	14,700,816	53,187,484	2,722,830	55,910,315	–	55,910,315
Other revenue	–	–	–	–	–	–	–
Net sales to outside customers	38,486,668	14,700,816	53,187,484	2,722,830	55,910,315	–	55,910,315
Inter-segment net sales or transfers	–	–	–	333,032	333,032	(333,032)	–
Total	38,486,668	14,700,816	53,187,484	3,055,863	56,243,348	(333,032)	55,910,315
Segment income (loss)	5,362,723	3,682,944	9,045,667	(362,368)	8,683,299	(1,678,238)	7,005,060

(Notes) 1. "Other" is the segment which is not included in reportable segments, including such businesses as auctions for flowers, circular commerce businesses, and overseas businesses.

2. Adjustment of segment income (loss) of negative ¥1,678,238 thousand is corporate expenses not allocated to specific reportable segments. Corporate expenses chiefly comprise general and administrative expenses not allocated to specific reportable segments.

3. Adjustments are made to reconcile segment income (loss) with operating profit reported on the consolidated statements of income.

For the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Thousand yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Lifestyle Products	Mobility & Energy	Total				
Net sales							
Auction related revenue	15,343,002	10,318,012	25,661,015	1,161,119	26,822,134	–	26,822,134
Product sales related revenue	29,769,417	828,733	30,598,151	765,076	31,363,227	–	31,363,227
Other	96,214	4,976,023	5,072,237	882,320	5,954,558	–	5,954,558
Revenue from contracts with customers	45,208,634	16,122,770	61,331,404	2,808,515	64,139,920	–	64,139,920
Other revenue	–	–	–	–	–	–	–
Net sales to outside customers	45,208,634	16,122,770	61,331,404	2,808,515	64,139,920	–	64,139,920
Inter-segment net sales or transfers	–	–	–	509,211	509,211	(509,211)	–
Total	45,208,634	16,122,770	61,331,404	3,317,726	64,649,131	(509,211)	64,139,920
Segment income (loss)	8,393,795	3,464,344	11,858,139	(371,759)	11,486,380	(1,968,574)	9,517,806

(Notes)1. “Others” is the segment which is not included in reportable segments, including such businesses as auctions for flowers, circular commerce businesses, and overseas businesses.

2. Adjustment of segment income (loss) of negative ¥1,968,574 thousand is corporate expenses not allocated to specific reportable segments. Corporate expenses chiefly comprise general and administrative expenses not allocated to specific reportable segments.
3. Adjustments are made to reconcile segment income (loss) with operating profit reported on the consolidated statements of income.

3. Reporting segment-specific information on impairment loss on non-current assets and details of goodwill, etc.

For the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Significant impairment loss on non-current assets)

In the Lifestyle Products segment, an impairment loss was recognized on non-current assets.

The total amount of the impairment loss recorded in the fiscal year ended December 31, 2024 was ¥123 million.

(Significant change in the amount of goodwill)

The Company included Defactostandard, Ltd. and JOYLAB, inc. in the scope of consolidation from the fiscal year ended December 31, 2024 as the Company made them subsidiaries in the Lifestyle Products segment. This resulted in an increase of ¥1,157 million in goodwill.

As some of the payment for the acquisition had not been settled as of the end of the nine months ended September 30, 2024, tentative accounting treatment had been applied but the amount of goodwill was determined as of December 31, 2024.

For the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Significant impairment loss on non-current assets)

In the Lifestyle Products segment, an impairment loss was recognized on non-current assets owned by JOYLAB, inc., as well as on goodwill associated with the subsidiary.

The total amount of the impairment loss recorded during the fiscal year ended December 31, 2025 was ¥978,050 thousand.

(Per share information)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Net assets per share	¥542.04	¥580.82
Basic earnings per share	¥94.22	¥129.85
Diluted earnings per share	¥93.95	—

- (Notes) 1. The Company conducted a share split at a ratio of 2 shares for each common share of the Company on April 1, 2025. Net assets per share, basic earnings per share and diluted earnings per share have been calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.
2. The shares of the Company held by the Board Benefit Trust (“BBT-RS”) recorded as treasury shares under shareholders’ equity are included in the treasury shares to be deducted in calculating the number of issued and outstanding shares at the end of the fiscal year and the average number of shares during the fiscal year for the purpose of calculating net assets per share and basic earnings per share. Please note that the numbers of shares of the Company held by BBT-RS, which were deducted for the purpose of calculating net assets per share for the fiscal years ended December 31, 2024 and December 31, 2025, are 739,820 shares and 645,960 shares, respectively, and the average numbers of shares of the Company held by BBT-RS during the fiscal years ended December 31, 2024 and December 31, 2025, which were deducted for the purpose of calculating basic earnings per share, are 614,612 shares and 674,951 shares, respectively.
3. Basis of calculation of basic earnings per share and diluted earnings per share is as follows:

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (Thousand yen)	4,485,496	5,921,726
Amount not attributable to common stockholders (Thousand yen)		
Profit attributable to owners of parent relating to common stock (Thousand yen)	4,485,496	5,921,726
Average number of shares of common stock outstanding during the period (Shares)	47,607,660	45,603,529
Diluted earnings per share		
Adjustment for profit attributable to owners of parent (Thousand yen)		
Increase in number of shares of common stock (Shares)	134,044	—
Overview of residual shares not included in calculation of diluted earnings per share due to lack of dilutive effect		—

(Significant subsequent events)

(Share split and partial amendment to the Articles of Incorporation)

At the Board of Directors meeting held on February 13, 2026, the Company resolved to conduct a share split and make a partial amendment to the Articles of Incorporation in connection with the share split.

1. Purpose of the share split

By lowering the amount of money per investment unit by conducting a share split, the Company intends to create an investment environment more accessible for individual investors and other investors, in order to increase the liquidity of the Company's shares and further expand the investor base.

2. Method of the share split

Common shares held by shareholders listed or recorded in the final shareholder register on the record date of Tuesday, March 31, 2026, will be split at a ratio of two shares for every one share.

3. Number of shares to be increased by the share split

1) Total number of issued and outstanding shares before the share split	48,026,400 shares
2) Number of shares to be increased by the share split	48,026,400 shares
3) Total number of issued and outstanding shares after the share split	96,052,800 shares
4) Total number of shares authorized to be issued	220,000,000 shares

4. Schedule for the share split

1) Date of public notice of the record date	Monday, March 16, 2026
2) Record date	Tuesday, March 31, 2026
3) Effective date	Wednesday, April 1, 2026

5. Impact on per share information

Per share information for the previous fiscal year and for the fiscal under review on the assumption that the share split was conducted in the previous fiscal year is as follows.

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Net assets per share	271.02 yen	281.20 yen
Basic earnings per share	47.11 yen	64.92 yen
Diluted earnings per share	46.97 yen	–

6. Partial amendment to the Articles of Incorporation

(1) Reason for the amendment to the Articles of Incorporation

In connection with this share split, pursuant to the provisions of Article 184, Paragraph 2 of the Companies Act, based on the resolution of the Board of Directors, the Company will amend the total number of shares authorized to be issued as specified in Article 6 of the Company's Articles of Incorporation, effective as of April 1, 2026.

(2) Details of the amendment to the Articles of Incorporation

Current Articles of Incorporation	Amended Articles of Incorporation
(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be 110,000,000 shares.	(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>220,000,000 shares</u> .

(3) Schedule for the amendment to the Articles of Incorporation

1) Date of resolution by the Board of Directors	Friday, February 13, 2026
2) Effective date	Wednesday, April 1, 2026

7. Other

There will be no change in the amount of share capital as a result of this share split.