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November 11, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 [Japanese GAAP]

Company name: INTRANCE CO., LTD.
Stock exchange listing: Tokyo Stock Exchange
Code number: 3237
URL: https://www.intrance.jp
Representative: He Tongxi, President and Representative Director, Chief Executive Officer
Contact: Yasuyuki Morita, General Manager
Phone: +81-3-6803-8100
Scheduled date to commence dividend payments: None
Preparation of supplementary material on financial results: None
Schedule of quarterly financial results briefing session: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1.Consolidated Financial Results for the Six months Ended September 30, 2026 (April 1, 2026 to September 30, 2026)

(1) Consolidated Operating Results (Cumulative)

(% indicates changes from the previous corresponding period.)

	Net Sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
First six months	Milliom of Yen	%	Milliom of Yen	%	Milliom of Yen	%	Milliom of Yen	%
FY 2026	409	(20.4)	(247)	—	(236)	—	133	—
FY 2025	514	36.1	(213)	—	(237)	—	(238)	—

(Note) Comprehensive income: For the Six months ended September 30, 2026: 130million yen [(-)%]

For the Six months ended September 30, 2025: (235) million yen [(-)%]

	Earnings per share	Fully diluted earnings per share
First six months	Yen	Yen
FY 2026	2.88	2.20
FY 2025	(5.13)	—

(2) Summary of consolidated balance sheet

	Total assets	Total net assets	Equity ratio
	(Millions of yen)	(Millions of yen)	%
As of Sep 30, 2026	2,761	373	12.0
As of Mar 31, 2026	2,147	238	9.4

Reference: Equity: As of September 30, 2026: 331 million yen As of March 31, 2026: 201 million yen

2. Dividends

	Annual dividends				
	Q1 (Yen)	Q1 (Yen)	Q3 (Yen)	Year-end (Yen)	Total (Yen)
	Yen	Yen	Yen	Yen	Yen
FY2025 ended March 31 2026	—	0.00	—	0.00	0.00
FY2026 ended March 31 2027	—	0.00			
FY2026 ending March 31, 2027 (Forecast)			—	0.00	0.00

Note: Revisions to the forecasts of dividends most recently announced: None

3. Forecast for Fiscal Year 2026 Ending March 31, 2027

(% indicates year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Full-year forecast	3,344	211.5	120	—	45	—	34	—	0.74

Note: Revisions to the forecasts most recently announced: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None
Newly included: – (Company name: –)
Excluded: – (Company name: –)

(2) Application of Accounting Treatment Specific to the Preparation of Interim Consolidated Financial Statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
2) Changes in accounting policies due to other reasons: None
3) Changes in accounting estimates: None
4) Restatement: None

(4) Number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares)
As of September 30, 2026: 46,552,784 shares
As of March 31, 2026: 46,552,784 shares
2) Number of treasury shares at the end of the period
As of September 30, 2026: 60,400 shares
As of March 31, 2026: 60,400 shares
3) Average number of shares (cumulative from the beginning of the fiscal year)
Six months September 30, 2026: 46,492,384 shares
Six months September 30, 2025: 46,492,384 shares

* Reviews by certified public accountants or an audit corporation of the accompanying interim consolidated financial statements: None

* Proper use of forecasts, and other special matters

(Disclaimer)

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual performance may significantly differ from these forecasts due to various factors in the future.

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1. Overview of Operating Results and Financial Position

(1) Overview of Financial Results

During the current interim consolidated accounting period (April 1, 2026, to September 30, 2026), the Japanese economy has been on a moderate recovery trajectory, supported by improvements in the employment and income environment and resilient inbound demand. Meanwhile, the outlook remains uncertain, as concerns persist regarding the risk of an economic downturn due to geopolitical risks—including the situation in the Middle East—as well as ongoing inflation, trends in overseas economies, and fluctuations in financial and capital markets.

Against this backdrop, in the real estate industry—to which our Group belongs—interest in domestic real estate among overseas investors remains high due to factors such as the weak yen, and demand continues to hold steady. However, the situation continues to require caution due to supply constraints on construction materials, rising real estate prices driven by soaring costs of land and construction, and the transition toward a period of rising interest rates.

Furthermore, in the hotel management sector—on which we are focusing—while the number of tourists visiting Japan and their spending remain robust, we are seeing a decline in the number of tourists from certain regions due to tensions in Japan-China relations, as well as intensifying competition resulting from factors such as the increase in accommodation facilities following last year's Osaka Expo. Consequently, this situation continues to require close attention.

Under these circumstances, our Group has focused on initiatives in our real estate and hotel management businesses, while also launching a new AI data center business.

Our Group's core strategy is to maximize the Group's value by using the real estate business as a source of stable revenue, aiming for high growth in the hotel management business, and further expanding revenue opportunities by leveraging the expertise and human resources we have cultivated in real estate and hotel development.

In line with this, in the real estate business, in addition to our property management operations, we have focused on the development and sale of accommodation facilities targeting inbound tourists—which are expected to generate revenue in a shorter timeframe—as well as the purchase and sale of accommodation properties.

Furthermore, in the hotel operations business, in addition to managing existing hotels, we have focused on securing operating rights for urban apartment hotels—with the aim of managing newly developed properties—as well as on activities to secure operating rights for resort hotels and traditional Japanese inns (ryokan).

In addition, as part of our other business operations, we have focused on the sale of GPU servers in the AI data center business and on activities to secure AI data center development projects.

In addition, following the mutually agreed termination of a contract for a hotel that was scheduled to open, we recorded termination compensation income of 400,000 thousand yen as extraordinary income.

As a result of the above, net sales for the current interim consolidated accounting period were 409,291 thousand yen (down 20.4% from the previous interim consolidated accounting period), the operating loss was 247,897 thousand yen (compared to an operating loss of 213,851 thousand yen in the previous interim consolidated accounting period), an ordinary loss of 236,848 thousand yen (compared to an ordinary loss of 237,849 thousand yen in the previous interim consolidated accounting period), and net income attributable to owners of the parent company of 133,991 thousand yen (compared to a net loss attributable to owners of the parent company of 238,666 thousand yen in the previous interim consolidated accounting period).

Segment results are as follows.

(Real Estate Business)

In the Real Estate Business, although we focused primarily on the property management business, the resale of lodging facilities, and the development and sale of single-family lodging facilities during the current interim consolidated accounting period, no real estate sales were finalized. Consequently, net sales totaled 89,062 thousand yen (down 40.1% compared to the previous interim consolidated accounting period), and segment profit (operating profit) totaled 3,017 thousand yen (down 77.3% compared to the previous interim consolidated accounting period).

(Hotel Management Business)

Regarding the Hotel Management Business, during the current interim consolidated accounting period, in addition to promoting the operation of existing hotels, we focused on new development and securing management rights for existing hotels and ryokan; however, we were unable to secure any new management rights. Consequently, net sales totaled 314,829 thousand yen (down 13.8% from the previous interim consolidated accounting period), and the segment loss (operating loss) was 26,298 thousand yen (compared to an operating loss of 15,208 thousand yen in the previous interim consolidated accounting period).

(Other Business)

Regarding other businesses, in the inbound tourism business, we resolved to dissolve and liquidate our consolidated subsidiary, Intrance Shanghai Co., Ltd., and there were no significant developments in the investment business. Additionally, in the AI data center business, the company began sales of GPU servers. Note that revenue from GPU server sales is presented on a net basis (revenue minus cost of sales).

As a result, net sales totaled 5,400 thousand yen (an increase of 2,620.8% compared to the previous interim consolidated accounting period), and the segment loss (operating loss) was 5,392 thousand yen (compared to an operating loss of 11,655 thousand yen in the previous interim consolidated accounting period).

(2) Overview of Financial Position

a. Assets, Liabilities and Net Assets

(Assets)

Regarding assets as of the end of the current interim consolidated accounting period, current assets increased by 834,319 thousand yen compared to the end of the previous consolidated fiscal year, totaling 2,607,492 thousand yen. This was primarily due to an increase of 225,338 thousand yen in cash and deposits, an increase of 422,831 thousand yen in advance payments, and an increase of 199,646 thousand yen in short-term deposits. Fixed assets decreased by 218,426 thousand yen compared to the end of the previous consolidated fiscal year, totaling 151,125 thousand yen. This was primarily due to a decrease of 222,887 thousand yen in long-term deposits, among other factors. Deferred assets decreased by 1,754 thousand yen to 2,631 thousand yen due to a decrease in start-up expenses. As a result, total assets increased by 614,138 thousand yen compared to the end of the previous consolidated fiscal year, reaching 2,761,248 thousand yen.

(Liabilities)

Regarding liabilities as of the end of the current interim consolidated accounting period, current liabilities increased by 261,356 thousand yen compared to the end of the previous consolidated fiscal year, totaling 742,528 thousand yen. This was primarily due to a 409,410 thousand yen increase in contract liabilities, a 72,717 thousand yen increase in short-term derivative liabilities, and a 260,000 thousand yen decrease in bonds maturing within one year. Non-current liabilities increased by 217,666 thousand yen compared to the end of the previous fiscal year, totaling 1,644,960 thousand yen. This was primarily due to an increase of 335,640 thousand yen in convertible bonds with stock acquisition rights and a decrease of 117,973 thousand yen in long-term derivative liabilities, among other factors. As a result, total liabilities increased by 479,022 thousand yen compared to the end of the previous consolidated fiscal year, reaching 2,387,488 thousand yen.

(Net assets)

Net assets at the end of the current interim consolidated accounting period increased by 135,116 thousand yen compared to the end of the previous consolidated fiscal year, totaling 373,760 thousand yen. This was primarily due to an increase of 133,991 thousand yen in retained earnings resulting from the recognition of interim net income attributable to owners of the parent.

b. Cash Flow Status

The balance of cash and cash equivalents (hereinafter referred to as “funds”) at the end of the current interim consolidated accounting period was ¥531,851 thousand. The status of each cash flow during the current interim consolidated accounting period is as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to 166,422 thousand yen (compared to a net cash outflow of 254,052 thousand yen in the previous interim consolidated fiscal period). This was primarily due to interim net income before income taxes and other adjustments of 163,151 thousand yen, expenditures of 422,759 thousand yen resulting from an increase in advance payments, and receipts of 409,410 thousand yen resulting from an increase in contract liabilities, among other factors.

(Cash Flows from Investing Activities)

Net cash provided by investing activities amounted to 18,241 thousand yen (compared to 1,929 thousand yen in the previous interim consolidated period). This was primarily due to proceeds of 10,000 thousand yen from the recovery of security deposits, among other factors.

(Cash Flows from Financing Activities)

Net cash provided by financing activities amounted to 40,038 thousand yen (compared to 249,284 thousand yen in the previous interim consolidated period). This was primarily due to proceeds of 296,833 thousand yen from the issuance of corporate bonds and payments of 260,000 thousand yen for the redemption of corporate bonds.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

There are no changes to the consolidated earnings forecast announced in the "Summary of Financial Results for the Fiscal Year Ended March 2026" dated May 13, 2026.

This forecast is based on information available as of the date of this announcement, and actual results may differ from the forecast figures due to various factors in the future. We will carefully assess events that may affect our business and promptly disclose any necessary revisions in the future.

(4) Significant Events Related to the Going Concern Assumption

During the previous consolidated fiscal year, our Group recorded significant operating losses, ordinary losses, and net losses attributable to owners of the parent for the fourth consecutive fiscal year and reported significant negative operating cash flows.

During the current interim consolidated accounting period, we have again recorded significant operating losses and ordinary losses; although we reported interim net income due to the recognition of extraordinary income, we have not yet achieved a recovery in operating earnings.

Furthermore, while cash and deposits held at the end of this interim consolidated accounting period amounted to 1,730 million yen, the fact that the convertible bonds with stock acquisition rights issued on February 9 and July 9, 2026, as well as the stock acquisition rights themselves, have not been converted into shares or exercised means that circumstances continue to exist that raise significant doubts regarding the going concern assumption.

To resolve this situation, our Group is implementing the following measures.

a. Improving the business's revenue structure

Our Group has adopted a business model that relies on the real estate business as a stable source of revenue while aiming for high growth in the hotel management business. Our core strategy has been to expand hotel management revenue by promoting "urban apartment hotel development" and "regional revitalization hotel investments."

However, while the company has achieved some success in securing operating rights for apartment hotels—which are intended to be operated as new developments and are expected to generate significant future revenue in a few years—the company has not yet succeeded in acquiring new operating rights for existing resort hotels or traditional Japanese inns. Furthermore, in our real estate business—which we view as a stable revenue base for the short to medium term—the company has experienced delays in the development and sale of inbound accommodation facilities.

Therefore, as announced in the "Notice Regarding the Launch of a New Business, the Conclusion of a Capital and Business Alliance Agreement, and the Issuance of the Third Series of Unsecured Convertible Bonds with Share Acquisition Rights and the Eleventh Series of Share Acquisition Rights via Third-Party Allotment" dated June 23, 2026, the Group has launched a new AI data center business, which will promote the development and operation of AI data centers, starting with the sale of GPU servers.

Consequently, our Group has shifted from a business model centered on real estate and hotel operations to one aimed at "maximizing corporate value through our hotel and real estate businesses, as well as our AI data center business."

Based on the above, our Group is implementing the following measures to improve profitability across each business segment.

(Real Estate Business)

In the real estate business, while aiming to increase revenue in property management—a stable business segment—the company will continue to focus on the development and sale of inbound accommodation facilities, which are expected to generate high profits in the short to medium term, as well as the resale of hotels and other lodging facilities. In addition, the company will move forward with activities related to site selection and the advancement of our new AI data center business.

(Hotel Management Business)

In the hotel management business, led primarily by Intrance Hotels & Resorts Co., Ltd., the Group's hotel management company, the company will focus on securing hotel operating rights, obtaining management contracts, and acquiring consulting projects to increase the number of transactions. Furthermore, the company will recruit personnel with expertise in hotel management and development to expand the scale of our hotel management business and maximize profits.

(Other Businesses)

In our Other Businesses segment, regarding the AI data center business—which the company has launched as a new venture—the company aim to increase revenue by securing orders for GPU servers, while simultaneously advancing the development and operation of AI data centers to drive the overall growth of this business.

Furthermore, regarding the tourists sending business, which the company has been pursuing for some time, we had been advancing this initiative primarily through our Group company, Intrance Shanghai. However, prioritizing the company's operating costs and operational efficiency, the Board of Directors resolved at its meeting on April 8, 2026, to dissolve and liquidate the company.

Consequently, moving forward, the company will continue to advance the tourists sending through partnerships with external companies, thereby reducing the burden of fixed costs.

In the investment business, under the management of our Group companies, Japan Hotel Investment Co., Ltd. and Hospitality Investment LLC, we will focus on fundraising activities related to our core businesses—real estate and hotel operations—and provide support to ensure the smooth operation of the Group's businesses.

Furthermore, to expand our existing businesses, the Group will actively utilize investments and M&A in areas where synergies are expected, thereby driving revenue growth for the Group.

b. Cost Structure Improvement

Although the company implemented reductions in executive compensation during the previous consolidated fiscal year, moving forward the company will review outsourced operations and consider and implement various measures to improve labor productivity. In addition, the company will review business-related costs and work to curb selling, general, and administrative expenses to improve our cost structure.

c. Fundraising

During the previous consolidated fiscal year, at a Board of Directors meeting held on January 22, 2026, a resolution was passed to issue bonds with share acquisition rights to ZUU Target Fund for INT LPS as the underwriter, and share acquisition rights to ET Mobile Japan Co., Ltd. as the underwriter. On February 9 of the same year, the company raised a total of 1,303 million yen, consisting of 1,297 million yen from the issuance of the bonds with share acquisition rights and 6 million yen from the issuance of the share acquisition rights.

Furthermore, during the current interim consolidated accounting period, the Board of Directors resolved at its meeting on June 23, 2026, to issue bonds with share acquisition rights and share acquisition rights to Dynamic Solution Group Co., Ltd. as the underwriter. On July 9 of the same year, we raised a total of 303 million yen, consisting of 300 million yen from the issuance of the bonds with share acquisition rights and 3 million yen from the issuance of the share acquisition rights.

In addition, the company received 400 million yen in termination fees following the mutually agreed termination of a hotel opening contract, and our cash and deposits held at the end of this interim consolidated accounting period totaled 1,730 million yen.

Looking ahead, the company aim to restore our business performance as soon as possible to create an environment conducive to the conversion of bonds with share acquisition rights into shares and the exercise of share acquisition rights, thereby strengthening our equity capital. Furthermore, by improving our creditworthiness, the company will strive to achieve a financial position that allows us to secure loans from financial institutions and continue to strengthen our cash position.

Based on these countermeasures, the company has determined that no significant uncertainty exists regarding the going concern assumption.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheet

(Thousand of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	1,504,881	1,730,220
Accounts receivable - trade	81,652	75,850
Real estate for sale	123,470	122,658
Other inventories	1,173	1,059
Advance payment	5,067	427,898
Deposits	23,341	222,987
Other	33,826	27,057
Allowance for doubtful accounts	(240)	(240)
Total current assets	1,773,172	2,607,492
Non-current assets		
Property, plant and equipment	4,910	4,541
Intangible assets	6,263	5,119
Investments and other assets		
Long-term deposits	222,887	-
Other	205,490	211,464
Allowance for doubtful accounts	(70,000)	(70,000)
Total investments and other assets	358,377	141,464
Total non-current assets	369,551	151,125
Deferred asset	4,385	2,631
Total assets	2,147,109	2,761,248
Liabilities		
Current liabilities		
Accounts payable - trade	3,419	3,053
Corporate bonds due for redemption within one year	260,000	-
Long-term borrowings due for repayment within one year	1,020	-
Accrued corporate taxes, etc.	9,051	39,414
Contract liabilities	5,112	414,522
Provision for bonuses	6,333	8,727
Allowance for shareholder special benefit	37,105	26,154
Derivative liabilities	-	72,717
Other	159,129	177,938
Total current liabilities	481,172	742,528
Non-current liabilities		
Bonds with share acquisition rights (convertible bonds)	1,309,320	1,644,960

(Thousand of yen)

	As of March 31, 2026	As of September 30, 2026
Derivative liabilities	117,973	-
Non-current liabilities	1,427,293	1,644,960
Total liabilities	1,908,465	2,387,488
Net assets		
Shareholders' equity		
Paid-in capital	1,444,427	1,444,427
Capital surplus	1,214,426	1,214,426
Retained earnings	(2,440,259)	(2,306,268)
Treasury shares	(2,476)	(2,476)
Total shareholders' equity	216,117	350,109
Accumulated other comprehensive income		
Foreign currency translation adjustment	(14,807)	(18,142)
Total accumulated other comprehensive income	(14,807)	(18,142)
Share acquisition rights	37,333	41,793
Total net assets	238,643	373,760
Total liabilities and net assets		2,761,248

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income Six Months Ended September 30

(Thousand of yen)

	FY2025 (From April 1, 2025 to September 30, 2025)	FY2026 (From April 1, 2026 to September 30, 2026)
Net sales	514,133	409,291
Cost of sales	122,778	74,606
Gross profit	391,354	334,685
Selling, general and administrative expenses	605,206	582,583
Operating income (loss)	(213,851)	(247,897)
Non-operating income		
Interest received	562	1,741
Valuation gain on derivatives	—	45,256
Investment income under the equity method	—	965
Foreign exchange gain	—	3,899
Other	101	108
Total non-operating income	663	51,972
Non-operating expenses		
Interest expenses	3,136	35,942
Bond issuance costs	3,111	3,166
Amortization of start-up costs	1,754	1,754
Payment fees	2,085	—
Derivative valuation loss	8,743	—
Foreign exchange loss	4,196	—
Other	1,634	59
Total non-operating expenses	24,661	40,922
Ordinary loss	(237,849)	(236,848)
Extraordinary Income		
Revenue from Cancellation Fees	—	400,000
Total Extraordinary Income	—	400,000
Income (Loss) before income taxes	(237,849)	163,151
Income taxes -current	817	29,160
Profit (Loss)	(238,666)	133,991

(Thousand of yen)

	FY2025 (From April 1, 2025 to September 30, 2025)	FY2026 (From April 1, 2026 to September 30, 2026)
Profit (Loss) attributable to owners of parent	(238,666)	133,991

Semi-annual Consolidated Statement of Comprehensive Income

Six Months Ended September 30

(Thousand of yen)

	FY2025 (From April 1, 2025 to September 30, 2026)	FY2026 (From April 1, 2026 to September 30, 2026)
Profit (Loss)	(238,666)	133,991
Other comprehensive income		
Foreign currency translation adjustment	3,134	(3,335)
Total other comprehensive income	3,134	(3,335)
Comprehensive income	(235,532)	130,655
(details)		
Comprehensive income attributable to owners of parent	(235,532)	130,655
Comprehensive income attributable to non-controlling interests	—	—

(3) Semi-Annual Consolidated Statement of Cash Flows

(Thousand of yen)

	FY2025 (From April 1, 2025 to September 30, 2025)	FY2026 (From April 1, 2026 to September 30, 2026)
Cash flows from operating activities		
Income (Loss) before income taxes	(237,849)	163,151
Depreciation and amortization	1,550	1,512
Amortization of opening costs	1,754	1,754
Loss on valuation of derivatives	8,743	(45,256)
Increase (or decrease) in the provision for bonuses (a minus sign indicates a decrease)	(2,227)	2,394
Increase (decrease) in allowance for shareholders' special benefits	24,870	(10,950)
Interest and dividend income	(562)	(1,741)
Interest expenses	3,136	35,942
Bond Issuance Expenses	3,111	3,166
Revenue from Cancellation Fees	—	(400,000)
Change in Accounts Receivable (a negative sign indicates an increase)	16,223	5,802
Change in Accounts Payable (a minus sign indicates a decrease)	—	(366)
Decrease (increase) in inventories	(74,999)	925
Change in Advance Payments (a negative sign indicates an increase)	3,000	(422,759)
Change in Contract Liabilities (a minus sign indicates a decrease)	(2,440)	409,410
Change in Other Assets (a negative sign indicates an increase)	(740)	6,869
Change in Other Liabilities (a negative sign indicates a decrease)	(4,249)	25,469
Other	7,865	(5,112)
Subtotal	(252,809)	(229,788)
Interest and dividend income received	562	1,741
Interest expenses paid	(56)	(3,336)
Amount of Cancellation Fee Received	—	400,000

(Thousand of yen)

	FY2025 (From April 1, 2025 to September 30, 2025)	FY2026 (From April 1, 2026 to September 30, 2026)
Corporate Income Tax and Other Taxes Paid	(1,748)	(2,193)
Net cash provided by (used in) operating activities	(254,052)	166,422
Cash flows from investing activities		
Revenue from the Recovery of Security Deposits	—	10,000
Other	1,929	8,241
Net cash provided by (used in) investing activities	1,929	18,241
Cash flows from financing activities		
Proceeds from the issuance of corporate bonds	256,888	296,833
Payments for the Redemption of Corporate Bonds	—	(260,000)
Payments for the Repayment of Long-Term Debt	(5,060)	(1,020)
Payments for the Repayment of Lease Liabilities	(458)	(236)
Proceeds from the Issuance of Stock Options	—	4,460
Other	(2,085)	—
Cash flows from financing activities	249,284	40,038
Translation differences related to cash and cash equivalents	(1,117)	636
Net Increase (Decrease) in Cash and Cash Equivalents (a minus sign indicates a decrease)	(3,955)	225,338
Cash and cash equivalents at beginning of period	535,806	1,504,881
Cash and cash equivalents at end of period	531,851	1,730,220

(4) Notes to Semi-annual Consolidated Financial Statements

(Segment information, etc.)

(Note on Segment information)

I. For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

Information on sales revenue and profit or loss by reportable segments

(Thousand of yen)

	Reportable segments			Other (Note 1)	Adjustment (Note 2)	Total (Note 3)
	Real estate	Hotel operation	Total			
Sales revenue						
Sales revenue to outside customers	148,452	365,245	513,697	198	—	513,896
Revenue from other sources	237	—	237	—	—	237
Sales to external customers	148,689	365,245	513,934	198	—	514,133
Inter-segment sales or transfers	—	157	157	174	(331)	—
Total	148,689	365,402	514,092	372	(331)	514,133
Segment profit (loss)	13,271	(15,208)	(1,937)	(11,655)	(200,258)	(213,851)

(Note) 1. The "Other" segment is a business segment not included in the reportable segments and mainly consists of the customer sending business from China.

2. Adjustment of segment profit (loss) is the cost of head office expenses that do not belong to the reportable segments.

3. Total segment profit (loss) is adjusted with operating loss in the interim consolidated statements of income.

Ⅱ. For the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

Information on sales revenue and loss by reportable segments.

(Thousand of yen)

	Reportable segments			Other (Note 1)	Adjustment (Note 2)	Total (Note 3)
	Real estate	Hotel operation	Total			
Sales revenue						
Sales revenue to outside customers	89,062	314,829	403,891	5,400	—	409,291
Revenue from other sources	—	—	—	—	—	—
Sales to external customers	89,062	314,829	403,891	5,400	—	409,291
Inter-segment sales or transfers	—	—	—	—	—	—
Total	89,062	314,829	403,891	5,400	—	409,291
Segment Loss	3,017	(26,298)	(23,280)	(5,392)	(219,225)	(247,897)

(Note) 1. The "Other" segment is a business segment not included in the reportable segments and mainly consists of the customer sending business from China.

2. Adjustment of segment loss is the cost of head office expenses that do not belong to the reportable segments.

3. Total segment loss is adjusted with operating loss in the interim consolidated statements of income.

(Notes on Significant Changes to Shareholders' Equity)

Previous Interim Consolidated Accounting Period (April 1, 2025 to September 30, 2025)

1. Dividends paid

Not applicable

2. Dividends whose record date belongs to the current interim consolidated accounting period however whose effective date is after the end of the current interim consolidated accounting period

Not applicable

3. Significant changes in shareholders' equity

Not applicable

Current interim consolidated accounting period (April 1, 2026 to September 30, 2026)

1. Dividends paid

Not applicable

2. Dividends whose record date belongs to the current interim consolidated accounting period however whose effective date is after the end of the current interim consolidated accounting period

Not applicable

3. Significant changes in shareholders' equity

Not applicable

(Notes on going concern assumption)

Not applicable