

Translation

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Summary of Consolidated Financial Results for the Six Months Ended June 30, 2025 (Based on Japanese GAAP)

August 8, 2025

Company name: rakumo Inc.
 Stock exchange listing: Tokyo
 Stock code: 4060 URL <https://corporate.rakumo.com/>
 Representative: President CEO Koji Shimizu
 Inquiries: Director CFO Kenta Ishisone TEL 050(1746)9891
 Scheduled date to file Semi-annual Securities Report: August 8, 2025
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors, analysts and general investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Adjusted EBITA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2025	802	15.1	279	41.4	224	31.2	224	35.0	146	34.6
Six months ended June 30, 2024	697	16.8	197	30.6	171	16.1	166	15.7	108	10.9

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2025	25.14	22.74
Six months ended June 30, 2024	18.79	16.40

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	3,306	1,742	52.3
As of December 31, 2024	3,035	1,634	53.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2024	–	0.00	–	6.00	6.00
Year ending December 31, 2025	–	0.00			
Year ending December 31, 2025 (Forecast)			–	9.00	9.00

3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Adjusted EBITA		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	%	Millions of yen	%	Yen
Full year	1,612	11.7	500	14.7	400	4.4	396	5.4	259	2.5	44.61

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended June 30, 2025: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: Yes

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	5,817,500 shares	As of December 31, 2024	5,809,600 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	119 shares	As of December 31, 2024	119 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2025	5,812,965 shares	Six months ended June 30, 2024	5,778,300 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	2,284,300	2,541,246
Accounts receivable - trade	51,104	42,239
Work in process	411	729
Supplies	162	163
Other	54,513	64,874
Total current assets	2,390,493	2,649,253
Non-current assets		
Property, plant and equipment	19,997	18,163
Intangible assets		
Goodwill	253,530	235,270
Customer-related intangible assets	185,070	177,023
Software	62,287	102,752
Software in progress	36,496	35,285
Total intangible assets	537,384	550,332
Investments and other assets	79,300	80,615
Total non-current assets	636,682	649,111
Deferred assets	8,274	8,109
Total assets	3,035,451	3,306,475
Liabilities		
Current liabilities		
Accounts payable - trade	45,658	51,445
Income taxes payable	85,554	96,469
Contract liabilities	613,025	761,766
Provision for bonuses	800	7,394
Asset retirement obligations	—	652
Other	75,393	69,981
Total current liabilities	820,431	987,709
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	500,000	500,000
Asset retirement obligations	11,300	10,589
Other	69,221	65,574
Total non-current liabilities	580,522	576,163
Total liabilities	1,400,953	1,563,873
Net assets		
Shareholders' equity		
Share capital	396,884	399,549
Capital surplus	357,734	360,399
Retained earnings	844,269	955,554
Treasury shares	(178)	(178)
Total shareholders' equity	1,598,710	1,715,325
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	302	263
Foreign currency translation adjustment	28,565	15,193
Total accumulated other comprehensive income	28,867	15,456
Share acquisition rights	6,919	11,820
Total net assets	1,634,497	1,742,601
Total liabilities and net assets	3,035,451	3,306,475

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Net sales	697,888	802,972
Cost of sales	247,038	241,454
Gross profit	450,850	561,517
Selling, general and administrative expenses	279,683	336,899
Operating profit	171,166	224,618
Non-operating income		
Interest income	33	1,941
Foreign exchange gains	—	808
Other	47	104
Total non-operating income	80	2,854
Non-operating expenses		
Interest expenses	57	—
Loss on investments in investment partnerships	701	684
Amortization of bond issuance costs	772	772
Issuance cost of subscription rights to shares	1,172	1,395
Foreign exchange losses	1,990	—
Other	200	—
Total non-operating expenses	4,894	2,852
Ordinary profit	166,353	224,620
Profit before income taxes	166,353	224,620
Income taxes - current	44,499	78,637
Income taxes - deferred	13,279	(157)
Total income taxes	57,778	78,479
Profit	108,574	146,141
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	108,574	146,141

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	108,574	146,141
Other comprehensive income		
Valuation difference on available-for-sale securities	(120)	(39)
Foreign currency translation adjustment	9,985	(13,372)
Total other comprehensive income	9,864	(13,411)
Comprehensive income	118,438	132,730
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	118,438	132,730
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	166,353	224,620
Depreciation	33,189	21,526
Amortization of goodwill	18,259	18,259
Interest and dividend income	(33)	(1,941)
Interest expenses	57	—
Decrease (increase) in trade receivables	10,362	8,145
Decrease (increase) in inventories	(225)	(345)
Increase (decrease) in trade payables	739	5,800
Amortization of deferred assets	1,944	2,167
Share-based payment expenses	299	6,444
Increase (decrease) in provision for bonuses	1,861	6,690
Loss (gain) on investments in investment partnerships	701	684
Increase (decrease) in contract liabilities	157,868	147,880
Decrease (increase) in prepaid expenses	(9,426)	(8,505)
Decrease (increase) in consumption taxes refund receivable	(612)	(647)
Decrease (increase) in accounts receivable - other	1,932	1,923
Increase (decrease) in accounts payable - other	(3,169)	(3,329)
Increase (decrease) in accrued expenses	(6,923)	(2,006)
Increase (decrease) in accrued consumption taxes	(528)	(1,139)
Increase (decrease) in income taxes payable - factor based tax	(238)	76
Increase (decrease) in deposits received	(2,578)	(2,364)
Decrease (increase) in guarantee deposits	—	(196)
Decrease (increase) in temporary deposit	—	3,817
Other loss (gain)	28	19
Subtotal	369,864	427,582
Interest and dividends received	33	1,046
Interest paid	(58)	—
Income taxes paid	(60,108)	(67,529)
Net cash provided by (used in) operating activities	309,730	361,099
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,276)	(822)
Purchase of investment securities	(5,000)	(5,000)
Purchase of intangible assets	(32,662)	(50,102)
Net cash provided by (used in) investing activities	(39,939)	(55,925)
Cash flows from financing activities		
Proceeds from issuance of shares	4,096	380
Dividends paid	—	(34,856)
Payments for issuance of subscription rights to shares	—	(1,982)
Net cash provided by (used in) financing activities	4,096	(36,458)
Effect of exchange rate change on cash and cash equivalents	8,904	(11,791)
Net increase (decrease) in cash and cash equivalents	282,792	256,924
Cash and cash equivalents at beginning of period	1,837,942	2,233,248
Cash and cash equivalents at end of period	2,120,734	2,490,172