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August 14, 2025



Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company Name: Commerce One Holdings Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 4496
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary materials of financial results: Yes
 Holding of quarterly financial results briefing: None

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

1. Consolidated Financial Results for Q1 FY3/2026 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|--------------------|-----------------|-----|------------------|--------|-----------------|--------|---|--------|
| Three months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| June 30, 2025 | 910 | 1.3 | 130 | (15.5) | 161 | 50.8 | 93 | 129.2 |
| June 30, 2024 | 898 | 3.8 | 154 | 29.3 | 107 | (22.2) | 40 | (50.5) |

Note: Comprehensive income For the three months ended June 30, 2025 ¥143 million [301.5%]
 For the three months ended June 30, 2024 ¥35 million [(59.9%)]

| | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Three months ended | Yen | Yen |
| June 30, 2025 | 13.10 | — |
| June 30, 2024 | 5.64 | — |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity-to-asset ratio |
|----------------|-----------------|-----------------|-----------------------|
| As of | Millions of yen | Millions of yen | % |
| June 30, 2025 | 3,546 | 2,592 | 72.6 |
| March 31, 2025 | 3,471 | 2,523 | 72.7 |

Reference: Equity

As of June 30, 2025: ¥2,575 million
 As of March 31, 2025: ¥2,523 million

2. Cash dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2025 | - | 10.00 | - | 10.00 | 20.00 |
| Fiscal year ending March 31, 2026 | - | | | | |
| Fiscal year ending March 31, 2026 (Forecast) | | 10.00 | - | 11.00 | 21.00 |

Note: Revision to the forecast of cash dividends most recently announced: None

3. Consolidated financial results forecast for FY3/2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-----------------|------|------------------|-----|-----------------|------|---|-------|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 4,387 | 18.8 | 665 | 4.2 | 673 | 59.0 | 485 | 429.6 | 68.16 |

Note: Revision to the financial results forecast most recently announced: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 3 companies (Commerce Connect Co., Ltd., PINES Co., Ltd., Newrona Inc.)
Excluded: 0 company (-)
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

| | |
|----------------------|------------------|
| As of June 30, 2025 | 7,193,400 shares |
| As of March 31, 2025 | 7,193,400 shares |

- (ii) Number of treasury shares at the end of the period

| | |
|----------------------|----------------|
| As of June 30, 2025 | 101,449 shares |
| As of March 31, 2025 | 76,349 shares |

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|----------------------|------------------|
| As of June 30, 2025 | 7,104,079 shares |
| As of March 31, 2025 | 7,193,351 shares |

* Review of the attached quarterly consolidated financial results reports by certified public accountants or an auditing firm: None

* Proper use of earnings forecasts and other special matters

Results forecasts and other forward-looking statements presented in this document are based on information currently available to the Company and certain assumptions that are deemed reasonable. The Company does not intend to guarantee that the said forecasts will be achieved. Actual results may vary significantly due to various factors. For more information on the preconditions on which the forecasts are based and the notes on its use, please see "1. Overview of operating results, etc. (3) Explanation of consolidated financial results forecast and other forward-looking information" on page 5 of the attachments.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the three months ended June 30, 2025

Our group operates as a corporate group that provides an EC platform for E-Commerce businesses. This serves as the business infrastructure for them.

The domestic E-Commerce market, the Group's primary business area, has been continually growing, backed by the diversification of products sold, a rising number of market participants, dramatic reductions in delivery times by logistics operators, increases in the amount of information shared via social media, and other factors. E-Commerce market continues to grow steadily, despite at a slower pace. This follows a period of rapid expansion due to the COVID-19 pandemic, as economic activities return to normal. At the same time, for consumers, new lifestyles and workstyles appear to have taken firm hold. To support businesses facing challenges in this rapidly changing market, our Group aims to expand our business domains by expanding the range of optional and alliance services that increase store sales, entering the E-Commerce consulting business, addressing social commerce that combines social media (SNS) with E-Commerce, and developing solutions utilizing generative AI to improve back-office efficiency. We aim to be an "E-Commerce platform that maximizes the power of people using our technology" while actively expanding our business domains related to E-Commerce.

Under this business environment, during the three months ended June 30, 2025, our Group strove to ensure net sales in line with market growth and actively engaged in growth investment in order to adapt to the future market environment and in order to expand our business domains.

Future Shop Co., Ltd.

Future Shop Co., Ltd. (hereinafter "Future Shop") which provide "futureshop", has continued to enhance the its functionality. Future Shop also persistently focus on upgrading features like expanding optional and alliance services that support the growth of e-commerce businesses to improve convenience. With such growth investments, Future Shop recorded year-on-year increases in both sales and profits while net sales remained strong.

Softel Inc.

Softel Inc. (hereinafter "Softel"), provider of our Tsuhan-Suruzo software, focused on making proposals tailored to major customer needs. Meanwhile, increased maintenance workload due to major mall specification changes and the increase in costs related to engineers resulted in decreased sales and profits year-on-year.

Others

SOLAIRO, INC. has been developing new solutions.

As a result of these efforts, during the three months ended June 30, 2025, the operating results of our Group and the financial results of our main consolidated subsidiaries were as indicated in the table below.

[Consolidated Financial Results]

(Thousands of yen)

| | Three months ended June 30, 2024 (cumulative) | Three months ended June 30, 2025 (cumulative) | Increase / decrease | Percentage (%) |
|---|---|---|------------------------|-------------------|
| Net sales | 898,956 | 910,975 | 12,019 | 1.3 |
| EBITDA | 183,642 | 162,337 | (21,305) | (11.6) |
| Operating profit | 154,688 | 130,786 | (23,901) | (15.5) |
| Ordinary profit | 107,367 | 161,915 | 54,547 | 50.8 |
| Profit attributable to owners of parent | 40,599 | 93,051 | 52,451 | 129.2 |

* EBITDA: Operating profit + Depreciation + Amortization of goodwill

[Financial results of major consolidated subsidiaries]

(Thousands of yen)

| | | Three months ended June 30, 2024 (cumulative) | Three months ended June 30, 2025 (cumulative) | Increase / decrease | Percentage (%) |
|-----------------------|------------------|---|---|---------------------|-------------------|
| Future Shop Co., Ltd. | Net sales | 663,247 | 706,388 | 43,141 | 6.5 |
| | Operating profit | 201,723 | 202,970 | 1,247 | 0.6 |
| Softel Inc. | Net sales | 216,254 | 215,701 | (553) | (0.3) |
| | Operating profit | 20,835 | 16,661 | (4,174) | (20.0) |

Note:

SAMURAI TECHNOLOGY Co., Ltd., a consolidated subsidiary of our Company, was merged through absorption into Softel Inc. as of January 1, 2025. Therefore, net sales and operating profit of Softel Inc. are calculated by assuming the merger took place at the beginning of the fiscal year ended March 31, 2025.

(2) Overview of financial position for the three months ended June 30, 2025

Total assets increased by ¥74,532 thousand from the end of the previous fiscal year to ¥3,546,055 thousand. Current assets decreased by ¥82,538 thousand from the end of the previous fiscal year to ¥2,296,530 thousand. This is attributable to a decrease of ¥282,703 thousand in cash and deposits due to the acquisition of subsidiary shares.

Non-current assets increased by ¥157,071 thousand from the end of the previous fiscal year to ¥1,249,524 thousand. This is attributable primarily to two factors. Firstly, goodwill increased by ¥86,555 thousand, mainly due to the new acquisition of PINES Co., Ltd. Secondly, investment securities increased by ¥73,316 thousand, largely because of the appreciation in value of our Taiwan stocks.

Liabilities increased by ¥5,420 thousand from the end of the previous fiscal year to ¥953,727 thousand. This change primarily resulted from a decrease of ¥56,149 thousand in income taxes payable. However, it was offset by an increase of ¥20,067 thousand in advance receipts and ¥4,843 thousand rise in deferred tax liabilities due to the appreciation of Taiwan stock prices.

Net assets increased by ¥69,112 thousand from the end of the previous fiscal year to ¥2,592,327 thousand. This is attributable primarily to an increase in profit attributable to owners of parent, despite dividends paid and share repurchases. As a result, the equity-to-asset ratio decreased from 72.7% at the end of the previous fiscal year to 72.6%.

The Company operates in a single segment, the E-Commerce platform business segment. Therefore, descriptive information about its reportable segments is not stated in this document.

(Cash flows)

During the three months ended June 30, 2025, cash and cash equivalents (hereinafter “net cash”) decreased by ¥282,703 thousand from the end of the previous fiscal year to ¥1,581,457 thousand.

The status of cash flows and their contributing factors during the three months ended June 30, 2025 are as follows.

(Cash flows from operating activities)

Net cash used in operating activities was ¥89,799 thousand.

This is attributable primarily to ¥161,915 thousand in profit before income taxes, ¥30,421 thousand in depreciation, increase of ¥20,067 thousand in advances received, and decrease of ¥1,584 thousand in trade receivables.

(Cash flows from investing activities)

Net cash used in investing activities was ¥119,353 thousand.

This is attributable primarily to ¥35,177 thousand in purchase of intangible assets associated with software development by Future Shop Co., Ltd. and the newly established Commerce Connect Co., Ltd. such as the new functions. Additionally, we made an expenditure of ¥89,182 thousand for purchasing of shares of subsidiary; PINES Co., Ltd.

(Cash flows from financing activities)

Net cash used in financing activities was ¥92,440 thousand.

This is attributable primarily to ¥20,068 thousand in purchasing of treasury shares and ¥70,458 thousand in dividends paid.

(3) Explanation of consolidated financial results forecast and other forward-looking information

The full-year financial results forecast for the fiscal year ending March 31, 2026 is unchanged from the forecast announced in the previous earnings summary (May 14, 2025).

We forecast full-year net sales of ¥4,387 million, operating profit of ¥665 million, ordinary profit of ¥673 million, and profit attributable to owners of parent of ¥485 million.

For the financial results in the three months ended June 30, 2025, we have been making steady progress against forecasts.

These forecasts are based on information currently available to the Company and certain assumptions that are deemed reasonable. Actual results may vary in the future due to various factors.

2. Quarterly consolidated financial statements and principal notes

(1) Quarterly consolidated balance sheets

(Thousands of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|--------------------------------------|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 1,864,160 | 1,581,457 |
| Trade receivables and contract asset | 291,499 | 290,596 |
| Work in process | 6,273 | 9,626 |
| Prepaid expenses | 92,624 | 92,958 |
| Deposits paid | 18,598 | 51,126 |
| Other | 107,053 | 271,802 |
| Allowance for doubtful accounts | (1,141) | (1,037) |
| Total current assets | 2,379,069 | 2,296,530 |
| Non-current assets | | |
| Property, plant and equipment | 129,931 | 133,982 |
| Intangible assets | | |
| Goodwill | 12,422 | 98,977 |
| Other | 280,337 | 292,420 |
| Total intangible assets | 292,760 | 391,398 |
| Investments and other assets | | |
| Investment securities | 443,689 | 517,006 |
| Other | 227,816 | 209,211 |
| Allowance for doubtful accounts | (1,744) | (2,074) |
| Total investments and other assets | 669,761 | 724,142 |
| Total non-current assets | 1,092,453 | 1,249,524 |
| Total Assets | 3,471,522 | 3,546,055 |

(Thousands of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 36,240 | 38,154 |
| Short-term borrowings | 48,956 | 49,781 |
| Advances received | 421,586 | 441,653 |
| Income taxes payable | 120,336 | 64,187 |
| Other | 225,448 | 259,665 |
| Total current liabilities | 852,566 | 853,441 |
| Non-current liabilities | | |
| Long-term borrowings | 5,482 | 4,768 |
| Deferred tax liabilities | 15,152 | 19,995 |
| Asset retirement obligations | 52,880 | 54,330 |
| Other | 22,225 | 21,191 |
| Total non-current liabilities | 95,740 | 100,285 |
| Total Liabilities | 948,307 | 953,727 |
| Net assets | | |
| Shareholders' Equity | | |
| Share capital | 210,400 | 210,400 |
| Capital Surplus | 160,400 | 160,400 |
| Retained Earnings | 2,035,765 | 2,057,646 |
| Treasury Shares | (57,243) | (77,192) |
| Total Shareholders' Equity | 2,349,322 | 2,351,253 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 173,893 | 224,101 |
| Total Accumulated other comprehensive income | 173,893 | 224,101 |
| Non-controlling interests | - | 16,972 |
| Total net assets | 2,523,215 | 2,592,327 |
| Total liabilities and net assets | 3,471,522 | 3,546,055 |

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statements of income

For the three months ended June 30, 2025

(Thousands of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|---|---|---|
| Net sales | 898,956 | 910,975 |
| Cost of Sales | 398,023 | 386,984 |
| Gross Profit | 500,933 | 523,991 |
| Selling, general and administrative expenses | 346,244 | 393,204 |
| Operating profit | 154,688 | 130,786 |
| Non-operating income | | |
| Interest Income | 8 | 11 |
| Foreign exchange gains | 13,856 | 18,944 |
| Commission income | - | 11,849 |
| Other | 2,433 | 898 |
| Total non-operating income | 16,298 | 31,703 |
| Non-operating expenses | | |
| Interest expenses | 47 | 309 |
| Share of loss of entities accounted for using equity method | 63,149 | - |
| Other | 423 | 264 |
| Total non-operating expenses | 63,619 | 574 |
| Ordinary profit | 107,367 | 161,915 |
| Profit before income taxes | 107,367 | 161,915 |
| Income taxes - current | 52,369 | 62,735 |
| Income taxes - deferred | 14,398 | 6,128 |
| Total income taxes | 66,768 | 68,864 |
| Profit | 40,599 | 93,051 |
| Profit attributable to owners of parent | 40,599 | 93,051 |

Quarterly consolidated statements of comprehensive income
Three months ended June 30, 2025

(Thousands of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|---|---|---|
| Profit | 40,599 | 93,051 |
| Other Comprehensive Income | | |
| Valuation difference on available-for-sale securities | (4,916) | 50,208 |
| Total Other Comprehensive Income | (4,916) | 50,208 |
| Comprehensive Income | 35,682 | 143,259 |
| Breakdown: | | |
| Comprehensive income attributable to owners of parent | 35,682 | 143,259 |

(3) Quarterly consolidated statements of cash flows

(Thousands of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|--|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 107,367 | 161,915 |
| Depreciation | 28,954 | 30,421 |
| Amortization of goodwill | - | 1,129 |
| Increase (decrease) in allowance for doubtful accounts | (817) | 220 |
| Increase (decrease) in provision for bonuses | (4,881) | - |
| Interest and dividend income | (9) | (11) |
| Interest expenses | 47 | 309 |
| Share of loss (profit) of entities accounted for using equity method | 63,149 | - |
| Foreign exchange losses (gains) | (13,969) | (18,890) |
| Decrease (increase) in trade receivables | 22,964 | 1,584 |
| Decrease (increase) in inventories | 1,228 | (3,352) |
| Decrease (increase) in prepaid expenses | 3,238 | 15,733 |
| Increase (decrease) in trade payables | 180 | 422 |
| Increase (decrease) in advances received | 7,981 | 20,067 |
| Decrease (increase) in deposits paid | 230 | (32,528) |
| Other | 88,195 | (147,316) |
| Subtotal | 303,859 | 29,704 |
| Interest and dividends received | 9 | 11 |
| Interest paid | (47) | (309) |
| Income taxes paid | (175,264) | (119,205) |
| Net cash provided by (used in) operating activities | 128,556 | (89,799) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (193) | (2,788) |
| Purchase of Intangible assets | (26,982) | (35,177) |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | - | (89,182) |
| Proceeds from refund of leasehold and guarantee deposits | - | 7,540 |
| Other | 6 | 254 |
| Net cash provided by (used in) investing activities | (27,169) | (119,353) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | - | (300) |
| Repayments of long-term borrowings | - | (714) |
| Repayments of lease liabilities | (903) | (899) |
| Purchase of treasury shares | - | (20,068) |
| Dividends paid | (77,644) | (70,458) |
| Net cash provided by (used in) financing activities | (78,547) | (92,440) |
| Effect of exchange rate change on cash and cash equivalents | 13,969 | 18,890 |
| Net increase (decrease) in cash and cash equivalents | 36,808 | (282,703) |
| Cash and cash equivalents at beginning of period | 1,733,879 | 1,864,160 |
| Cash and cash equivalents at end of period | 1,770,688 | 1,581,457 |

(4) Notes to quarterly consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes In shareholders' equity)

For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

Not applicable.

For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

In accordance with the resolution of the Board of Directors on April 14, 2025, the Company repurchased its own shares of 25,100 shares. As a result, during the three months ended June 30, 2025, the value of treasury shares increased by ¥19,949 thousand, and the value of treasury shares as of June 30, 2025 is ¥77,192 thousand.

(Notes to segment information, etc.)

Segment information is omitted as the Group's business segment consists of a single segment, the E-Commerce platform business, and the information is insignificant.

(Subsequent events)

Not applicable.