Funai Soken Holdings Incorporated

Q3 Financial Results Briefing for the Fiscal Year Ending December 2025

November 10, 2025

【Speaker】

Eijiro Saito	Executive Officer, Head of Corporate Strategy Department
Naoya Yamane	Senior Manager of Corporate Finance Department

Presentation

Saito: I am Saito of Funai Soken Holdings Incorporated.

I would now like to report on the financial results for Q3 of fiscal year 2025, which we announced earlier at 15:30.

Contents

Funai Soken Holdings

Statement Regarding Use of These Materials

1

Here is the table of contents of the financial summary we just released, and today, we will report on the executive summary and the financial report for Q3 of the fiscal year ending December 31, 2025, from these contents.

We will then answer the questions we received. If you have any questions, we would appreciate your input via the Q&A button at any time during the explanation.

Now, let's get to the explanation. I will begin with a summary of the financial results.

1. Executive Summary

Funai Soken Holdings

Highlights

FY2025 Q3 Financial Results	■ New 3rd-quarter records were set for sales and operating income ■ Double-digit growth in sales and income in the consulting and logistics segments ■ The decrease in net income is mainly due to extraordinary losses incurred on the sale of the Gotanda Office
KPIs	■ Consultant headcount increased 6.0% and sales per employee increased 4.2% over the same period last year ■ Management workshop membership numbers and per-contract monthly revenue both reached record figures, up 17.1% over the same period last year ■ Monthly support revenues were up 5.2% over the same period last year due to growth in per-contract monthly revenue
Outlook for 2025	■ Target: Record net sales (¥33 bil.) and operating income (¥8.9 bil.) ■ Target: Record ROE (25+%), dividends up for the 15th straight year (by ¥10)
News	■ Funai Consulting India: New subsidiary established in India (Nov. 2025) ■ Funai Consulting's Human Capital Management Support Divisional Headquarters to be split off and integrated into HR Force and company to be renamed Funai Soken Human Capital Consulting (Jan. 2026) ■ Funai Soken Logistics to be renamed Funai Soken Supply Chain Consulting in conjunction with expansion of consulting services to include the entire supply chain (Jan. 2026) ■ Share split: Common shares in Funai Soken Holdings will be split 2-for-1 on Jan. 1, 2026

3

This is the point of this financial statement. In Q3 of 2025, we achieved record results in both sales and operating income for the first nine months of the year. The mainstay management consulting and logistics businesses achieved double-digit growth in both net sales and operating income.

On the other hand, net income for the first nine months of the year decreased due to an extraordinary loss associated with the sale of the Gotanda office in Q1, but this was planned and we expect to see an increase for the full year as planned.

Regarding key KPIs, the number of consultants increased by 6% YoY, and revenue per employee increased by 4.2% YoY. The Management Study Group has been performing well, with both membership and monthly unit price reaching all-time highs, up 17.1% YoY.

Monthly support also increased 5.2% due to growth in the unit price. For the full year, there is no change to the plan, and we project net sales of JPY33 billion and operating income of JPY8.9 billion, both of which will be record highs.

ROE will be over 25%, the highest ever, and the dividend will be increased by JPY10, marking the 15th consecutive year of dividend increase.

Topics include the establishment of a local subsidiary in India for future business development and the decision to change the trade name for the pertinent companies, including the integration of group companies. In addition, the Company has decided to implement a stock split. We will explain this in more detail later.

1. Executive Summary

(1) Consolidated Income

Sales and operating income were up by double digits in the consulting segment as well as logistics. The decrease in net income is mainly due to extraordinary losses of ¥2,155 mil. incurred on the sale of the Gotanda Office in the 1st quarter.

	FY2024 Q3 YTD		FY2025 Q3 YTD		
	Amount (million yen)	% of total	Amount (million yen)	% of total	Change (%)
Net sales	22,253	100.0	24,540	100.0	+10.3
Operating income	5,945	26.7	6,371	26.0	+7.2
Ordinary income	5,968	26.8	6,397	26.1	+7.2
Net income attributable to owners of the parent	4,043	18.2	2,585	10.5	-36.1*

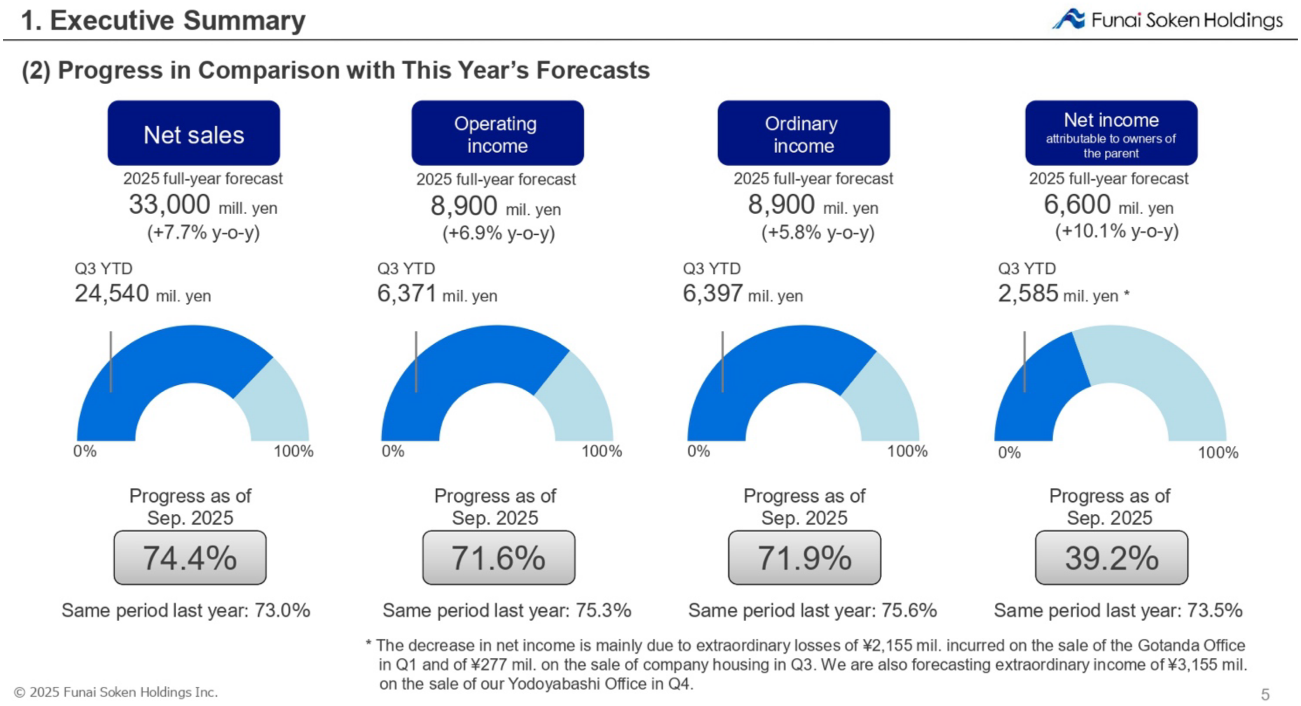
* The decrease in net income is mainly due to extraordinary losses of ¥2,155 mil. incurred on the sale of the Gotanda Office in Q1 and of ¥277 mil. on the sale of company housing in Q3. We are also forecasting extraordinary income of ¥3,155 mil. on the sale of our Yodoyabashi Office in Q4.

Next, I will explain the consolidated revenue situation.

Net sales were JPY24.54 billion, up 10.3% from the same period last year; operating income was JPY6.371 billion, up 7.2%; and ordinary income was JPY6.397 billion, also up 7.2%. Both the management consulting business and the logistics business have grown by double digits, driving sales and operating income.

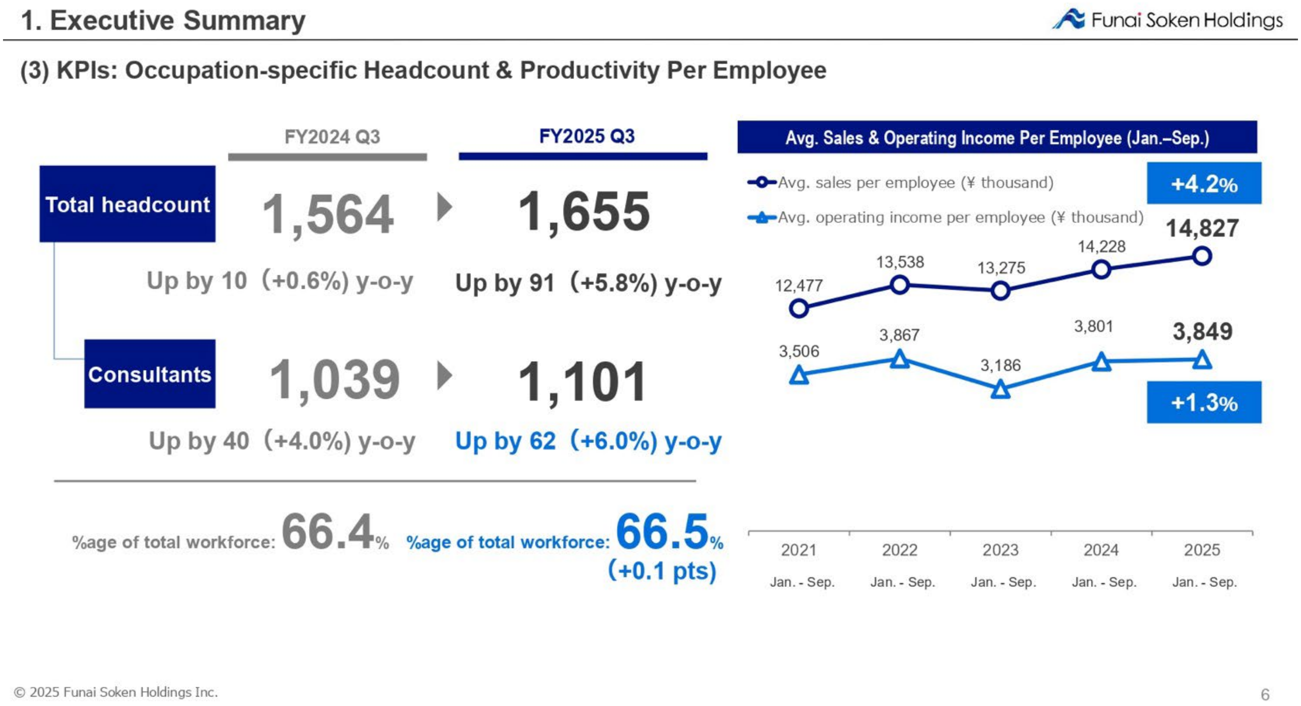
On the other hand, net income for the first nine months of the year amounted to JPY2.585 billion, representing a 36.1% decrease compared to the same period last year. As explained earlier, this was due to an extraordinary loss of JPY2.155 billion from the sale of the Gotanda office in Q1 and an extraordinary loss of JPY277 million from the sale of Company housing in Q3.

In Q4, we expect to record an extraordinary income of JPY3.155 billion from the sale of the Yodoyabashi office.



Here is the progress against the full-year forecast.

For the current fiscal year, we plan a 7.7% increase in net sales to JPY33 billion and a 6.9% increase in operating income to JPY8.9 billion, and our current progress rate is 74.4% for net sales and 71.6% for operating income. Although net income for the year is 39.2% of the progress due to the extraordinary loss I explained earlier, we expect to achieve the full year forecast due to the extraordinary income recorded in Q4.



Next, I will explain the trends in key KPI indicators.

First, we will discuss indicators related to human capital. The number of employees totaled 1,655, an increase of 91 over the same period last year or a 5.8% increase on a percentage basis. Of this total, consultant personnel totaled 1,101, an increase of 62 plus 6% over the same period last year, and the consultant ratio was 66.5%.

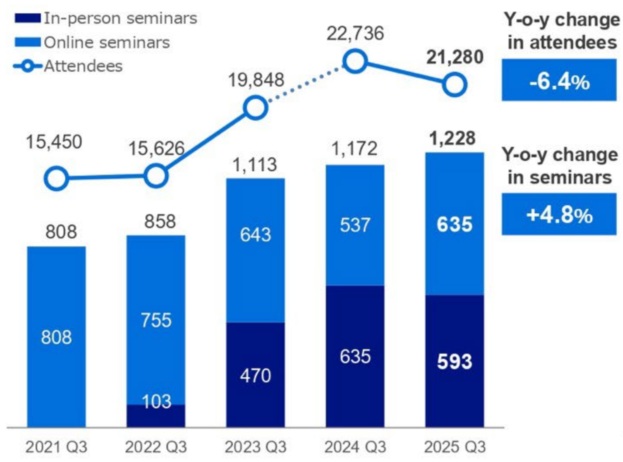
On the right is productivity per employee. These figures are for the nine-month period from January to September. Per capita sales totaled 14,827,000, up 4.2% from the previous year, and per capita operating income was up 1.3%.

1. Executive Summary

Funai Soken Holdings

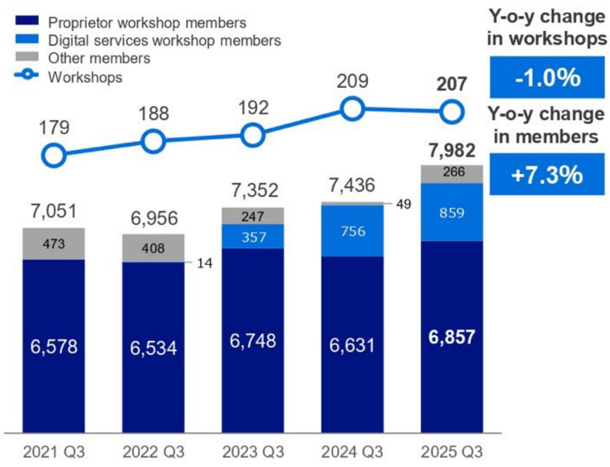
(3) KPIs: Seminars & Workshops

Management Seminars and Attendance Figures



*Figures show paid management seminars held and attendance for all group companies (except for 2021–2023, which are for Funai Consulting only)

Management Workshops and Membership



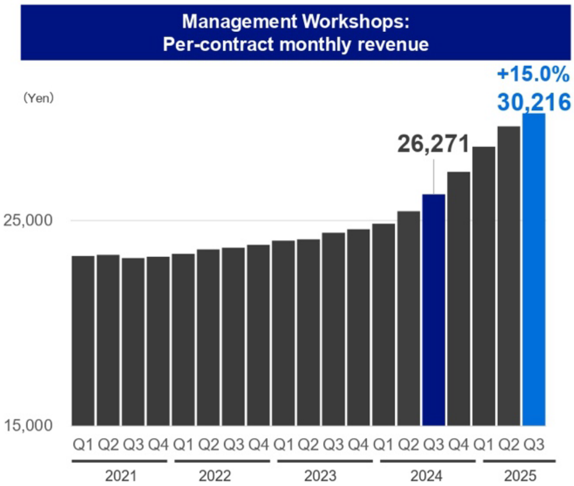
*Figures show management workshops held and membership for all group companies

7

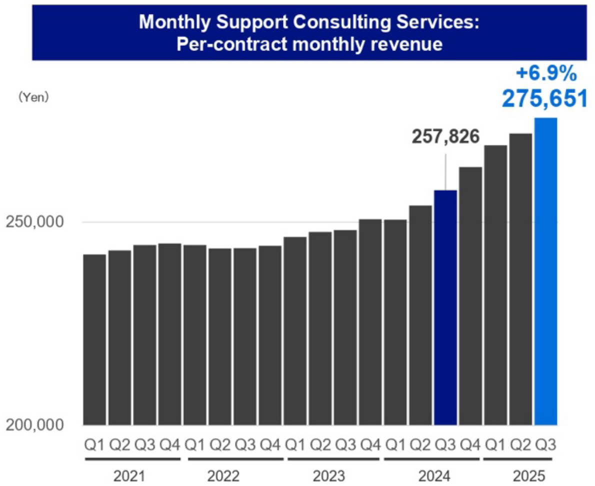
Next are the results of management seminars and management workshops. The number of participants in the management seminar was down 6.4% from the same period last year. This was influenced by the opening seminar and other large audience-attracting seminar events, such as the opening seminar associated with the relocation of the Tokyo head office from Q2 of last year. The number of members of the Management Study Group increased steadily to 7,982, a YoY increase of 7.3%, continuing a record high.

(3) KPIs: Management Workshop & Monthly Support Services: Per-contract Monthly Revenue

Management workshop subscriptions are trending upward due to organization-wide membership fee increases starting in April 2024. Per-contract monthly revenue from monthly support consulting services was up 6.9% over the same period last year.



*12-month (4-quarter) moving average of per-contract monthly revenue from Funai Consulting's management workshops



*12-month (4-quarter) moving average of per-contract monthly revenue for Funai Consulting's monthly support consulting services

This graph shows the monthly unit price of management workshops and monthly support, which are the pillars of stock income.

The monthly unit price of the management workshop exceeded 30,000 per month, a significant increase of 15% over the same period last year, thanks to the increase in membership fees since April 2024. The unit price of monthly support consulting contracts was also up 6.9% from the same period of the previous year due to the gradual increase in the unit price.

2. Financial Results as of FY2025 Q3

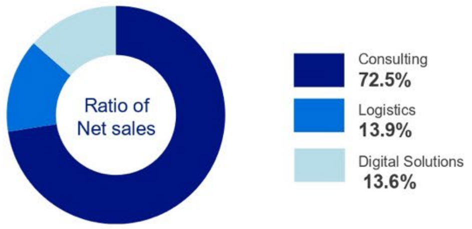
Funai Soken Holdings

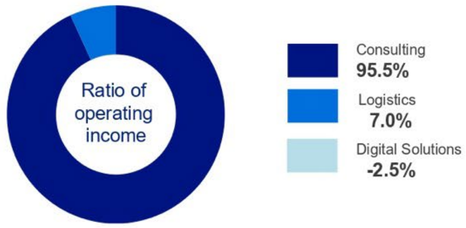
(1) Results of Operations by Segment

Double-digit growth in sales and income in the consulting and logistics segments

Net sales	FY2024 Q3	FY2025 Q3	
	Amount (million yen)	Amount (million yen)	Change (%)
Consulting	16,119	17,806	+10.5
Logistics	3,084	3,406	+10.4
Digital Solutions	3,049	3,327	+9.1
(Intra-group & whole-group transactions)	0	–	–
Total	22,253	24,540	+ 10.3

Operating income	FY2024 Q3	FY2025 Q3	
	Amount (million yen)	Amount (million yen)	Change (%)
Consulting	5,332	6,112	+14.6
Logistics	332	449	+35.0
Digital Solutions	73	-160	–
(Intra-group & whole-group transactions)	206	-29	–
Total	5,945	6,371	+7.2





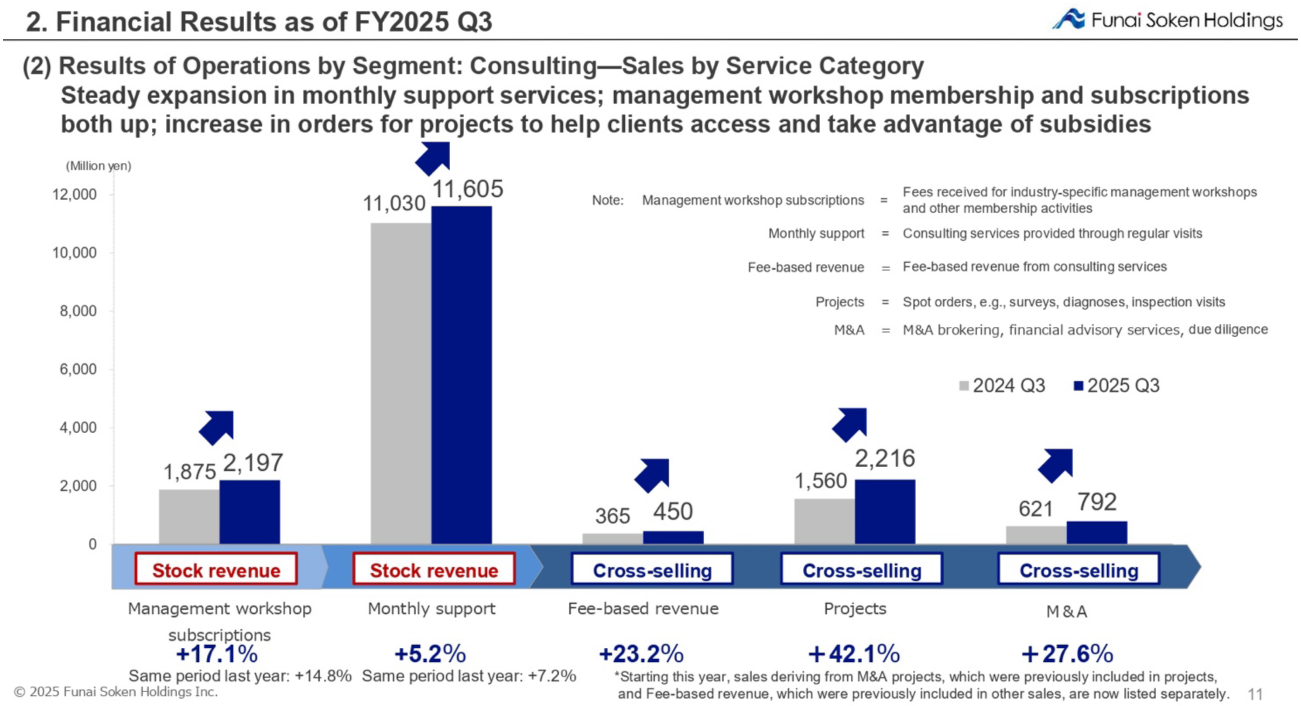
*Percentages exclude intra-group & whole-group transactions

10

We will now report on the details by segment.

Here are the operating results by segment. First, the mainstay management consulting business, which accounts for 72.5% of net sales, drove overall growth with a 10.5% increase in net sales and a 14.6% increase in operating income compared to the same period last year.

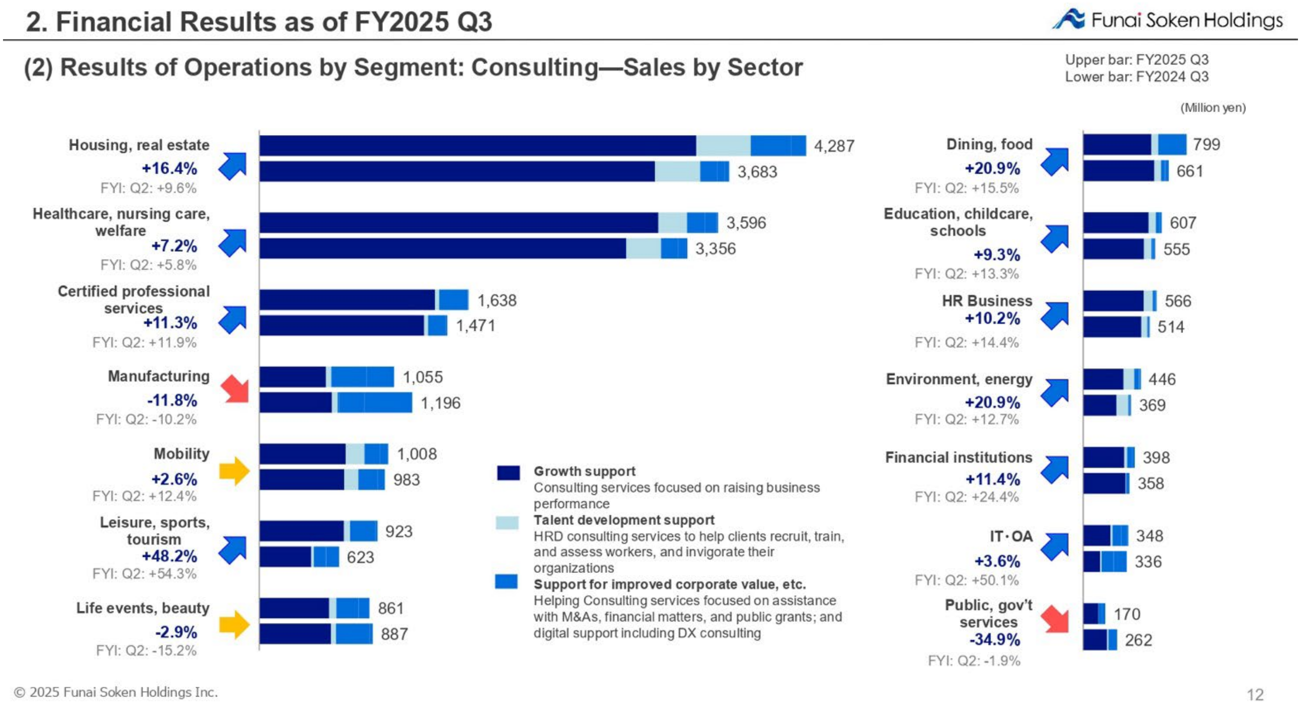
The logistics business also continued its strong growth with a 10.4% increase in net sales and a 35% increase in operating income. The digital solution business was affected by Apparel-Web, which was added to the Group in Q2, and while sales increased, profits suffered, but this was offset by the mainstay business.



From here, we will look at each segment individually. We start with the management consulting business.

This graph shows sales by major business category in the management consulting business. First, membership fees for the management workshop, which are stock income, increased significantly by 17.1% YoY, thanks to an increase in both the number of members and the unit price of membership fees. Similarly, monthly support for stock income is plus 5.2%.

Our business model is to drive stable growth in the area of stock income from monthly support and management workshops and to build up cross-selling on top of this. In the area of cross-sales, we have been able to increase cross-sales by 42.1%, thanks to growth in subsidy consulting and other factors.



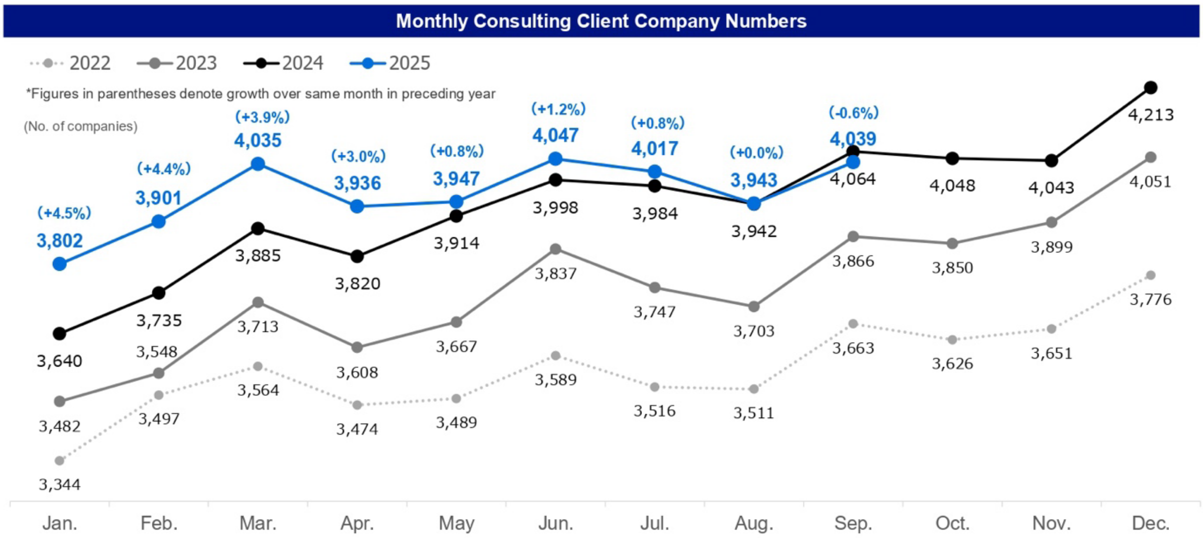
Here is the sales situation by major business category.

Many industries are experiencing YoY increases. In the fields with a large percentage of sales, housing and real estate, medical/nursing care/welfare, and professional services remained steady at plus 16.4%, plus 7.2%, and plus 11.3%, respectively.

2. Financial Results as of FY2025 Q3

Funai Soken Holdings

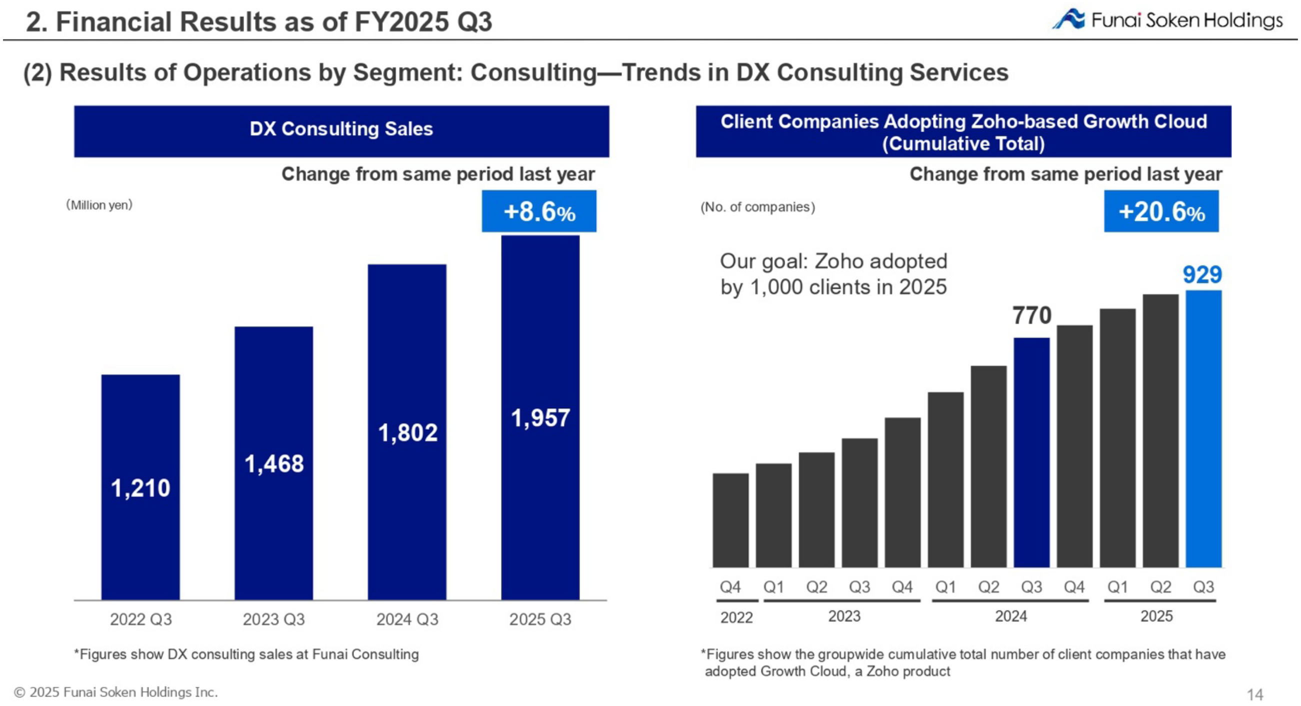
(2) Results of Operations by Segment: Consulting—Consulting Client Numbers



*Figures denote the total number of consulting contracts per month in the consulting segment (i.e., Funai Consulting, Proseed, Funai Consulting Shanghai, Funai Soken Agata, Almacreation and MI Consulting; excl. intra-group transactions).

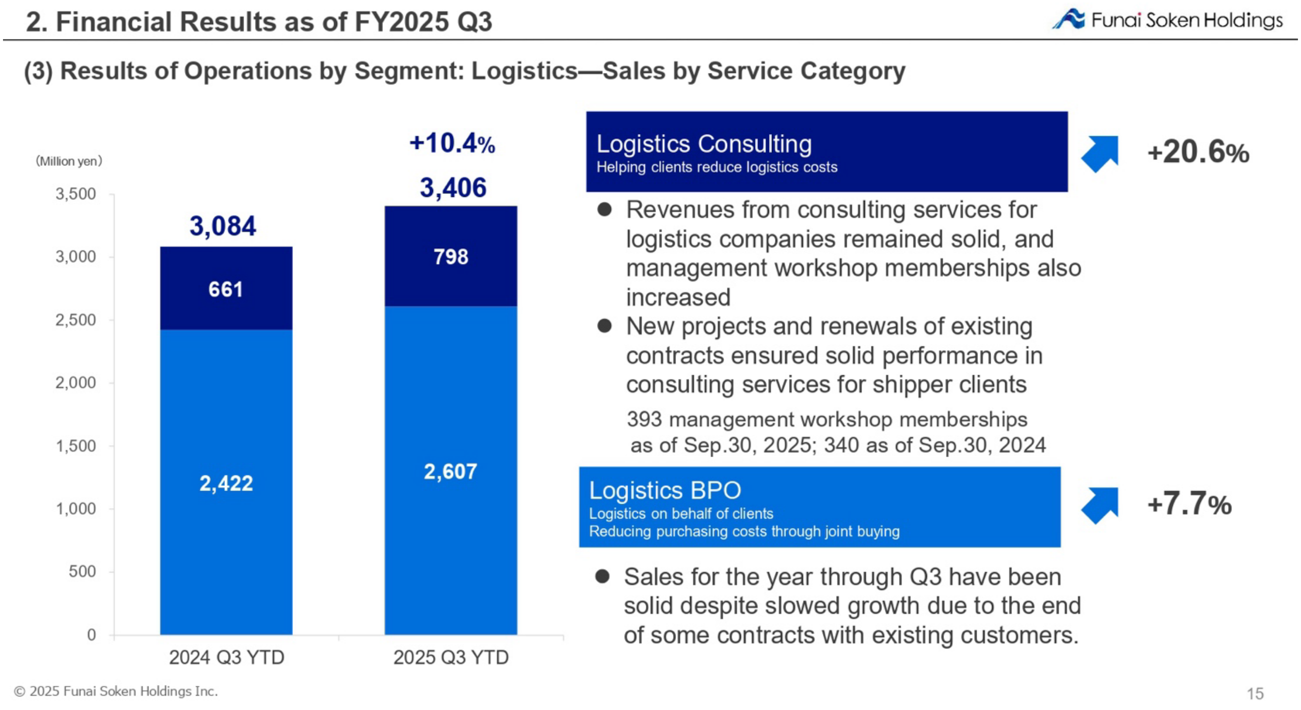
Here is the number of consulting companies by month.

As I mentioned earlier, the number of consulting companies remained almost flat in Q3 as a reaction to the increase in orders received last year, including onetime consulting orders, due to the large-scale customer-attracting seminar events associated with the relocation of the Tokyo head office.



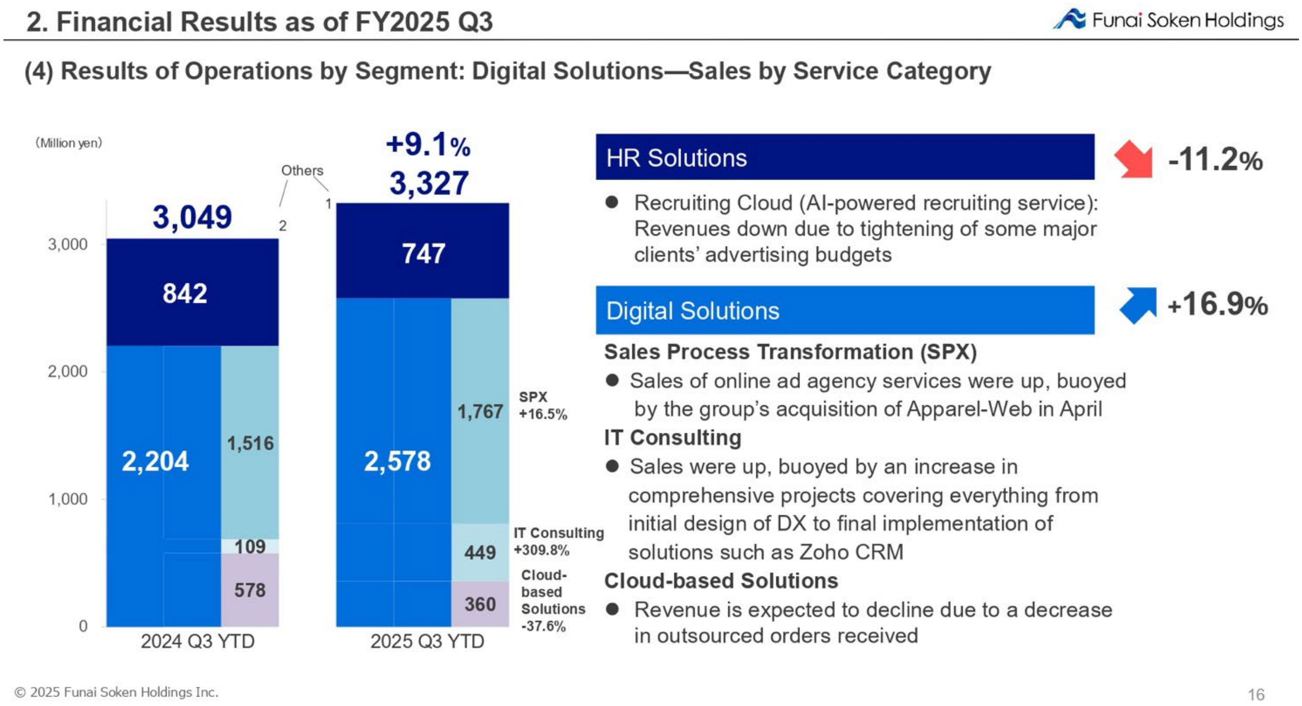
Continuing on, here are the sales trends for DX consulting as defined within the Company and the cumulative number of companies that have implemented Zoho among the products we are developing under the service name Growth Cloud.

DX Consulting sales increased 8.6% YoY in the cumulative Q3, and the cumulative number of companies that have adopted Growth Cloud Zoho increased steadily by 20.6% YoY.



Next is the performance trend of the logistics business. Overall business sales increased 10.4% YoY. The breakdown shows that logistics consulting remained strong at plus 20.6%, and the number of management workshop members increased steadily to 393 members.

Although sales growth in logistics BPO slowed down due to the termination of transactions with some existing clients, cumulative Q3 results remained strong.



Next is the performance trend of the digital solutions business.

Overall business sales increased 9.1% YoY. HR Solution was minus 11.2% due to reduced advertising budgets of some large clients in Recruiting Cloud, and digital solution was plus 16.9%.

Looking at the breakdown of digital solutions, SPX increased 16.5%, thanks to the contribution of Apparel-Web, which was added to the Group in April; and IT consulting increased 309.8%, thanks to an increase in one-stop projects ranging from DX grand design to implementation support. On the other hand, the cloud solution business was minus 37.6% due to a reduction in subcontracting-type projects.

(5) Consolidated Financial Position: Balance Sheet

(Million yen)

		As of Dec. 31, 2024	As of Sep. 30, 2025	Change	Major factors behind changes
Current assets		17,756	18,685	+928	Increase in cash and deposits due to the sale of the Gotanda Office
Noncurrent assets	Property, plant, and equipment	6,507	2,944	(3,563)	Decrease in land, buildings, and structures due to the sale of the Gotanda Office
	Intangible assets	661	1,643	+982	Increase in goodwill of subsidiary acquired
	Investments and other assets	6,513	7,462	+948	Increase in security deposit for new office
Total assets		**31,438**	**30,735**	**(703)**	
Current liabilities		6,274	7,369	+1,094	Increase in provision for employees' bonuses
Noncurrent liabilities		174	250	+76	Increase in lease obligations (listed under "others")
Total liabilities		**6,449**	**7,619**	**+1,170**	
Total net assets		**24,989**	**23,115**	**(1,873)**	Decrease due to share buyback. Equity ratio steady at 72.7%.
Total liabilities & net assets		**31,438**	**30,735**	**(703)**	

 17

Next, here is a summarized balance sheet.

One major movement was a decrease in tangible fixed assets due to the sale of the Gotanda office. The equity ratio was 72.7%, indicating that the Company continues to maintain a sound financial position.

2. Financial Results as of FY2025 Q3

Funai Soken Holdings

(6) News

I. National Workshop Conference 2025
(98th National Management Strategy Seminar Conference)

- One of Japan’s largest events for business proprietors, held over 5 days
- Guest lectures by 50+ current top executives; proprietors and executives from some 2,500 companies in attendance

II. Funai Consulting India: New subsidiary established in India

Funai Consulting India

- The Funai Soken Consulting Group's first subsidiary in India
- To function as a Global Capability Center to boost groupwide DX

Name	Funai Consulting India Pte., Ltd.
Representative	Daisuke Shingai (president and CEO of Funai Consulting)
Incorporation	Nov. 4, 2025
Location	Bengaluru, India
Capital	60 mil. rupees (approx. ¥100 mil.)
Capital structure	Funai Soken Holdings 99% Funai Consulting 1%

18

As the last part of the financial report, I would like to introduce some recent topics. I will also include the release we are disclosing today.

As the first topic, in August, we held one of Japan's largest management seminar events, the National Workshop Conference, over a five-day period. Approximately 2,500 company managers and executives participated in the event.

As the second topic, Funai Consulting India Private Limited, the Funai Soken Group's first local subsidiary in Bengaluru, India, was established on November 4. As a development base for consulting services, we will customize Zoho applications for each client, strengthen our partnership with Zoho, and then build a system to provide services to clients, including AI-related services in the future, as the Group's main R&D base.

(6) News

III. Funai Consulting's Human Capital Management Support Divisional Headquarters to Be Integrated into HR Force, Company to Be Renamed Funai Soken Human Capital Consulting

Funai Soken
Human Capital Consulting

- Expanding the company's services from staff recruiting to a comprehensive range of human capital consulting solutions, including support for recruiting, development, and retention

New name	Funai Soken Human Capital Consulting Inc.
Old name	HR Force Inc. (also due to absorb Human Capital Management Support Divisional Headquarters split off from Funai Consulting)
Scheduled date	January 1, 2026
Representative	Yasuko Murata
Employees	Approx. 150 (projected)
Business	Management consulting focused on human capital

IV. Funai Soken Logistics to Be Renamed Funai Soken Supply Chain Consulting

Funai Soken
Supply Chain Consulting

- Adding further momentum to the company's business by expanding its consulting services from logistics to include the entire supply chain

New name	Funai Soken Supply Chain Consulting Inc.
Old name	Funai Soken Logistics Inc.
Scheduled date	January 1, 2026
Representative	Naoyuki Hashimoto
Employees	Approx. 85 (projected)
Business	Management consulting focused on supply chain and logistics

The third topic is the integration of group companies and the change of company name.

As explained at the Q2 financial results meeting, we will integrate HR Force, our consolidated subsidiary, and the Human Capital Management Support Division, a division of Funai Consulting on January 1, 2026, and renamed Funai Soken Human Capital Consulting. We will establish a comprehensive support system that extends beyond our previous recruitment-focused consulting services to encompass development and retention.

Then, also effective January 1, 2026, Funai Soken Logistics will change its name to Funai Soken Supply Chain Consulting. We will further accelerate our business growth by expanding our consulting domain from logistics to the entire supply chain.

2. Financial Results as of FY2025 Q3

Funai Soken Holdings

(6) News

V. Share Split

Purpose:
To boost share liquidity and expand investor base

Overview of Share Split	
Record date	December 31, 2025
Effective date	January 1, 2026
Split ratio	Common shares split 2-for-1
Total shares outstanding before split	50,000,000
Total shares outstanding after split	100,000,000

Dividends
Because the share split comes into effect on January 1, 2026, the year-end dividend for FY2025 (record date December 31, 2025) will be based on the number of shares before the stock split.

VI. We're Eruboshi Certified as a Proactive Provider of Career Opportunities for Women

Three Funai Soken Consulting Group companies received certification under the government's Eruboshi system of rating employers on their performance in promoting career opportunities for women.

Funai Soken Holdings Inc.
3 stars (highest rank)

Funai Consulting Inc.
3 stars (highest rank)

HR Force Inc.
2 stars

20

The fifth point of topics is the implementation of a stock split.

The Company resolved to conduct a two-for-one stock split of shares of common stock, effective January 1, 2026, in order to increase the liquidity of its stock and broaden its investor base. The year-end dividend for the fiscal year ending December 31, 2025, will be based on the number of shares before the stock split.

As a final topic, we have been making efforts to promote women's activities. As a leading company in this field, we have received the Eruboshi certification from the Minister of Health, Labor and Welfare. We are pleased to report that Funai Soken Holdings and Funai Consulting have received the highest rating of three stars, and HR Force has received two stars.

This concludes my explanation. Thank you very much.

Moderator: Thank you very much.

Question & Answer

Moderator [M]: Okay, we will now move on to the Q&A session. Now that you have asked your questions, I will read them out.

Participant [Q]: The new prime minister is on the move, and I am wondering if we can expect any changes that will have an upside for your company.

Saito [A]: Thank you for your question. Our company has nothing to do with policy, though, we make our own proposals to our clients, attract customers, and propose consulting services. Recently, national policies, particularly the current push to support mid-sized companies, as mentioned earlier, we provide support in the area of consulting services for subsidies, which are highly compatible with the government's policies.

I also think that there is a lot of overlap in the area of consulting for becoming a JPY10 billion company, as well as in the area of consulting linked to government policies. With the appointment of the new prime minister, new policies can be considered, and I am sure that there will be a variety of developments.

We will continue to support small- and medium-sized enterprises as a management consulting firm, although we will have to keep in step with the policies of the government. In light of this, I am sure there will be some upside, but I would like to work on it without being too conscious of it.

Moderator [M]: Thank you very much. This is an opportunity for you to ask us any questions you may have. Please enter your question. We received a second question.

Participant [Q]: Is there any change in the investment trends of your clients, including the impact of tariffs, etc.?

Saito [A]: Thank you. We have local subsidiaries in China and India, but our basic focus is on domestic consulting. Therefore, the trend in terms of the impact of tariffs on customers has not had much of an impact.

However, while there is a possibility that some customers related to manufacturing, purchasing from overseas, importing and exporting, for example, may be involved, there has been no major change in the investment trend. That is all.

Moderator [M]: Thank you very much. If you have any other questions, please type them in. We received a third question.

Participant [Q]: What is your company's positioning and how to take it when expanding in India and China?

Saito [A]: Thank you. The establishment of a local subsidiary in India and the local subsidiary in Shanghai, China, where we provide consulting services, have slightly different implications.

In China, we are currently providing consulting services by industry, which we have been developing in Japan, specifically consulting services for the food industry in Shanghai, China, and in addition, we are planning to launch a consulting business for dental clinics as our next business category and provide consulting services to clients in China. The basic position and style of our consulting services will remain the same, as we provide consulting services to local companies in China based on the know-how we have cultivated in Japan.

On the other hand, the background of our establishment in India this time is to acquire human resources, mainly excellent engineers in India, and we consider the development base there as one of our priority themes.

It is the cost advantage in addition to the high technical skills of Indian human resources, which is often referred to today as a global capability center. India remains a strong contender in terms of cost advantages. Currently, it serves as a development hub, a source for acquiring engineers and other talents, and a global base. In this context, we are considering business development in China and India in a slightly different position. That is all.

Moderator [M]: Thank you very much. Next question.

Participant [Q]: I have a question regarding the status of consultant increases and turnover.

Saito [A]: Thank you. As for the increase in the number of consultants, we have been actively recruiting career consultants this year, and as you can see on the previous page, we are steadily increasing the number of consultants.

As for the turnover, it will soon be the end of the year, so I would like to give you an estimate of the turnover at the end of the year. The current projected turnover rate for the entire group is approximately 16.4%. This is roughly equivalent to last year's turnover rate. While our target and plan were to achieve a rate below 15%, the actual outcome shows a slight increase in the turnover rate. That is all.

Moderator [M]: Thank you very much. Next question.

Participant [Q]: With regard to the number of consulting companies by month, you mentioned the high hurdle in the previous year, how would you evaluate the actual situation? I am asking if it is correct to assume that there is no impact of the price increase, etc.

Saito [A]: Thank you. I assume that you are concerned about the number of consulting clients.

We are wondering if the price increase will have any impact, and to be honest, we feel a slight impact in reality.

For our company, contract renewals for monthly support services are typically handled on an annual basis. At that time, we engage in price negotiations, including potential price increases. The retention rate we prioritize is a key performance indicator, and the recent trend shows it is slightly behind target by one or two percentage points.

However, since this is a one-year contract renewal, there are customers who renewed their contracts after agreeing to the price increase, and once those customers have completed the one-year period, we expect the continuation rate or the number of companies to increase. I am sure that the rate of renewal and the number of companies will increase after a year has passed. Although the growth seems to have slowed down a little in the recent past, I believe that the trend will turn upward again after this has run its course, so it would be good if you could watch this trend over the medium to long term. That is all.

Moderator [M]: Thank you very much. Next question.

Participant [Q]: I was wondering if there has been any movement such as an increase in the per-consultant hiring fee.

Saito [A]: Regarding recruiting fees, a few years ago, when foreign consulting firms were recruiting in large numbers, the ratio of fees paid to agents was really high, but it has not reached that level. However, purely recruiting costs, especially for career hires, will be a certain type of annual income, so there will be a certain amount of recruiting costs as the number of career hires increases.

On the other hand, in terms of career recruitment this year, we have seen an increase in the number of cases of so-called referral recruitment or recruitment through referrals from employees or acquaintances, as well as cases where people who left the Group once and went to other companies have returned to work for us again through alumni recruitment and are now playing an active role in our company. Therefore, we have been able to establish various recruitment routes, and the total cost of career recruiting has not increased significantly.

In addition, we hire mainly new graduates, so even though we hire 200 to 250 consultants a year, the overall recruitment fee per consultant is not that high compared to other companies. That is all.

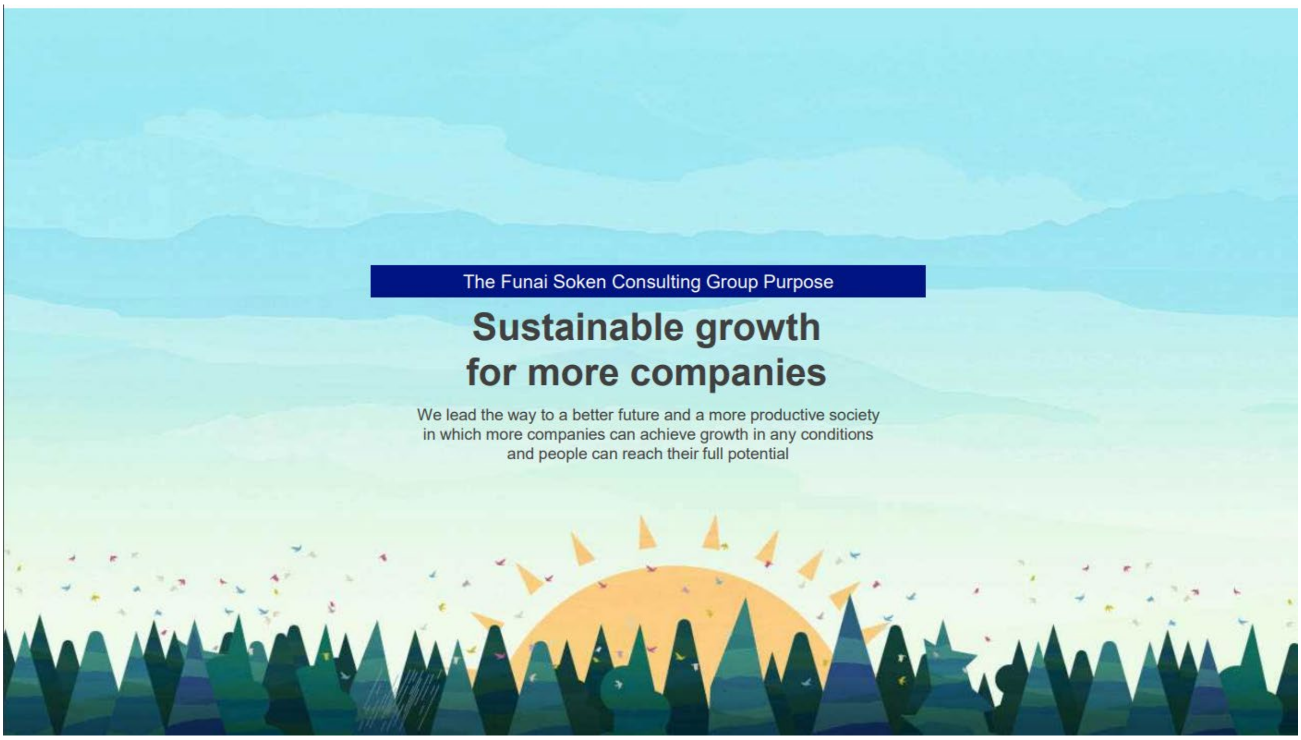
Participant [Q]: I see that the number of seminars held is increasing, but the number of attendees is declining. What do you think is the background for this decrease?

Saito [A]: That is due to a reactionary decline following the large-scale attendance-driving events we held starting in the second quarter of last year, such as the opening seminar related to the relocation of our Tokyo headquarters. Therefore, the figure appears to be down year-over-year.

Moderator [M]: Thank you very much. These are the questions we have received. If you have individual questions, we are open to one-on-one requests, so please contact us.

This concludes the financial report for Q3 of the fiscal year ending December 31, 2025. Thank you very much for watching. Now, if you will excuse me.

[END]



Statement Regarding Use of These Materials

Funai Soken Holdings

Plans, outlooks, strategies and other information contained herein are based on reasonable judgments made in accordance with information currently available.

Actual results may differ greatly from these forecasts for a number of factors.

All possible care has been exercised in preparing these materials, but the Funai Consulting Group assumes no responsibility for losses or other damages resulting from errors concerning any information.

These materials are not intended to encourage any kind of investment. Investment decisions are the sole responsibility of the individual investor.

Please direct enquiries regarding IR to:
Funai Soken Holdings, Inc. IR Team TEL: +81-(0)6-6232-2010 Mail: ir@funaisoken.co.jp URL: https://hd.funaisoken.co.jp/en/