



LINKBAL

FY2022/9 Q2 Financial Results Briefing Materials

LINKBAL INC.

May 6, 2022
(Stock code: 6046)



Disclaimer

Plans, outlook, strategies, and other forward-looking statements included in this material are based on information available by LINKBAL and certain assumptions deemed reasonable by LINKBAL as of the preparation of this material. As such, these statements contain various risks and uncertainties.

Actual results may differ significantly from these statements due to changes in the business environment.

Furthermore, information on LINKBAL stated in this material is quoted from public information and other sources, and LINKBAL makes no guarantee on the accuracy of the information.



Agenda

- 1 FY2022/9 Q2 Results Summary
- 2 FY2022/9 Financial Results Outlook
- 3 Company Profile

1 FY2022/9 Q2 Results Summary



■ Impact of COVID-19

The number of events and participants decreased largely from FY2022/9 Q2 due to the impact of priority measures to prevent the spread of infection of the Omicron variant (the sixth wave). With priority measures to prevent the spread of infection lifted in late March 2022, the number of events and participants were on a recovery trend, and closely monitoring the movement of the seventh wave, efforts will continue to increase the number of events that can be participated in during the COVID-19 pandemic.

■ Approach with AI

Development and implementation of our original matching engine for CoupLink improved matching efficiency by 50% and contributed to the improvement of conversion rates for paid subscribers. Also, an original AI engine for machicon JAPAN was developed, aimed at increasing repeat users and purchase rates to hold more events that contribute to a better experience for LINKBAL users.

■ Strategic initiatives for CoupLink

Aimed to improve services and sales by not only improving matching accuracy using AI but also strengthening and optimizing investment on promotion as well as coordination with machicon JAPAN to tap into more users.

FY2022/9 Q2 P/L Summary

(Millions of yen)

		FY2021/09 Q2	FY2022/09 Q2	YoY
		Actual results	Actual results	
Net sales		374	332	-11.3%
Gross profit		350	317	-9.7%
	Margin (%)	93.6%	95.4%	+1.8pt
Operating profit		-139	-180	-
	Margin (%)	-	-	-
Ordinary profit		-135	-176	-
	Margin (%)	-	-	-
Profit		-147	-175	-
	Margin (%)	-	-	-

FY2022/9 Q2 Breakdown of Sales by Service

Although the number of events and participants decreased due to the impact of priority measures to prevent the spread of infection following the sixth wave of COVID-19, the event e-commerce website management service increased by 1.9% and the website management service by 3.9% compared to the year-ago quarter, both transitioning into a recovery trend.

(Reference)

(Millions of yen)

	FY2021/9 2Q	FY2022/9 2Q	YoY	FY2022/9 1Q
	Actual results	Actual results		Actual results
Event e-commerce website management service	87	89	+1.9%	149
Component ratio (%)	63.7%	63.3%	-0.4pt	77.9%
Website management service	49	51	+3.9%	42
Component ratio (%)	36.3%	36.7%	+0.4pt	22.1%

FY2022/9 Q2 B/S Summary

The previous fiscal year's levels were maintained in cash and deposits.

(Millions of yen)

		FY2021/9	FY2022/9 2Q	YoY
	Current assets	1,876	1,816	-60
	Cash and deposits	1,830	1,754	-75
	Non-current assets	65	66	+0
Total assets		1,942	1,882	-60
	Current liabilities	110	211	+100
	Non-current liabilities	139	141	+2
Total liabilities		250	352	+102
Total net assets		1,692	1,529	-163
Total liabilities and net assets		1,942	1,882	-60
Equity ratio		87.1%	81.3%	-5.8pt

2 FY2022/9 Financial Results Outlook



Forecast for the 11th Term (FY2022/9)

Turning a profit will be the most important theme for this fiscal year.

(Millions of yen)

		FY2021/9	FY2022/9	YoY
		Actual results	Initial forecast	
Overall	Net sales	670	1,287	617 (192%)
	Operating profit (loss)	-317	1	318 (-)
Event e-commerce website management service	Net sales	485	1,001	516 (206%)
Website management service	Net sales	184	286	102 (155%)

Position FY2022/9 as a term for re-founding and a year to set course for growth

1. Improve profitability

- Maintain a low-cost structure
 - Prioritize referral recruiting of human resources and aim to improve enhancement of individual capabilities
 - Further speed up the management cycle for all types of costs

2. Establish a management constitution and portfolio that can adapt to the environment

- Quickly make existing businesses self-sufficient and profitable
- Aim to launch new businesses and conduct M&A so they can become the seeds of new revenue sources

3 Company Profile



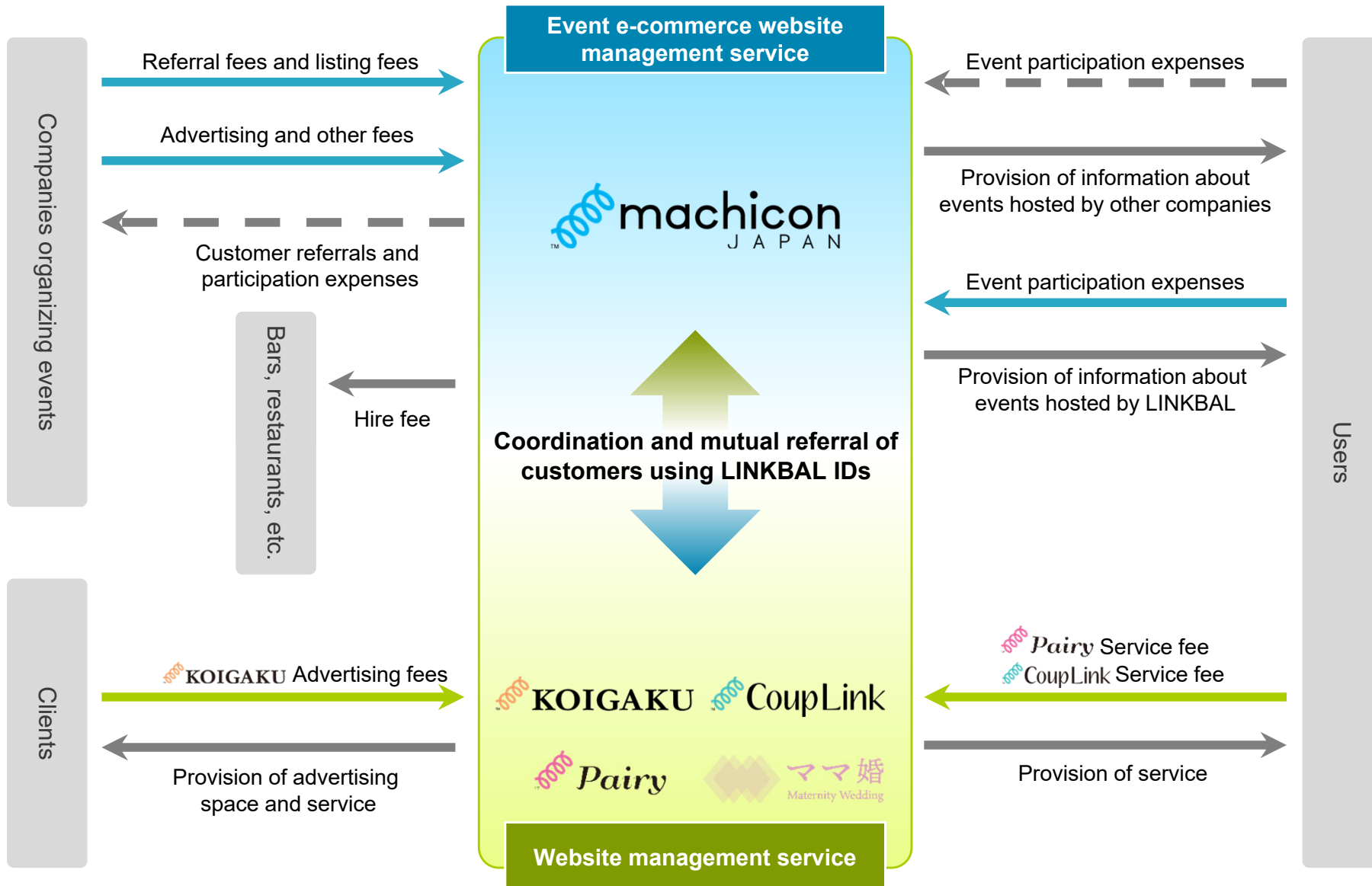


Mission

Connect the world.

Vision

**Pursuing customer satisfaction
and corporate growth by
creating new value based on
ideas and technologies.**



Event E-commerce Website Management Service

With 2.23 million members and a large selection of event listings, machicon JAPAN is one of Japan's largest experiential consumer e-commerce websites. The website features a wide range of content for users in search of new experiences, new friends or love.

Experiential consumption e-commerce website "machicon JAPAN"



[Outline and features]

- One of largest websites of its kind in Japan that features information about hosted events nationwide
- Members (holders of LINKBAL IDs*1) are primarily in their 20s and 30s
- A rich and ever-growing range of content
Growing range of contents

Making friends	Experiences	Professional networking
Face-to-face meetings	Self-improvement	Dating and marriage

etc.

*1: LINKBAL ID is a user ID that can be used on "machicon JAPAN," "CoupLink," "KOIGAKU," and "Paity."

Through the referral of customers between our website management service and “machicon Japan,” we are tapping into potential customers and building a revenue base in domains surrounding our existing services.

Online dating app “CoupLink”



Japan's first dating app for matching event participants online



- Provides an online matchmaking service for users looking for love and marriage
- Free membership registration (LINKBAL ID*1)
- Subscription-based model

[Features]

- App is used by actual event participants, giving users a greater sense of safety and peace of mind
- Event participants can exchange messages via the app

*1: LINKBAL ID is a user ID that can be used on “machicon JAPAN,” “CoupLink,” “KOIGAKU,” and “Pairy.”

Dating information media “KOIGAKU”



- Provides articles and various other contents to help women struggling to find love to make their ideal relationship a reality
- Free membership registration (LINKBAL ID*1)
- Supported by advertising revenue

Through the referral of customers between our website management service and “machicon Japan,” we are tapping into potential customers and building a revenue base in domains surrounding our existing services.

Dedicated app for couples “Pairsty”



App for couples to use to share plans and memories



- Provides and online information sharing service for couples
- Free membership registration
- Subscription-based model

Maternity wedding agent service



- Agent service for considering maternity weddings
- Monetization model based on fees received from wedding venues upon booking
- Expand in collaboration with Maternity Wedding Guide (owned media)

Through the referral of customers between our website management service and “machicon Japan,” we are tapping into potential customers and building a revenue base in domains surrounding our existing services.

Online marriage counseling “Marriage Style”




- Provides support for users seeking marriage
- Marriage counseling offering online services
- Subscription-based model

“Marriage Design Group” Marriage counseling confederation



MarriageDesignGroup

- Offers member network for marriage counseling firms
- Offers support for opening marriage counseling firms
- Provides customer attraction support services for marriage counseling firms



LINKBAL