



LINKBAL

FY2022/9 Q3 Financial Results Briefing Materials

LINKBAL INC.

August 5, 2022
(Stock code: 6046)

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- 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.

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FY2022/9 Q3 Results Summary



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FY2022 Q3 Cumulative Results Summary

- Net sales increased 3.6% year on year due to a recovery in the number of event participants and growth in matching apps.

(Millions of yen)

| | FY2021 Q3 (cumulative) | FY2022 Q3 (cumulative) | YoY |
|-------------------------|------------------------|------------------------|--------------|
| | Actual results | Actual results | |
| Net sales | 527 | 545 | +3.6% |
| Gross profit | 493 | 521 | +5.8% |
| Margin (%) | 93.6% | 95.6% | +2.0pt |
| Operating profit | -227 | -248 | - |
| Margin (%) | - | - | - |
| Ordinary profit | -223 | -244 | - |
| Margin (%) | - | - | - |
| Profit | -250 | -244 | - |
| Margin (%) | - | - | - |

- Net sales in FY2022 Q3 increased 40.1% year on year and 51.2% quarter on quarter to 213 million yen.**
 After COVID-19 restrictions were lifted, the number of participants in “machicon JAPAN” events showed a significant recovery.
 Our marketing activities increased the number of users of the “CoupLink” matching app.
- Operating profit in FY2022 Q3 showed a loss of 69 million yen, but both year-on-year and quarter-on-quarter deficit margins narrowed.**
 We expanded our active marketing investment in CoupLink in the growing matching app market while continuing to reduce fixed costs.

(Millions of yen)

| | FY2022 Q3 | Vs. year-ago quarter FY2021 Q3 | | Vs. preceding quarter FY2022 Q2 | |
|--------------------------|----------------|-----------------------------------|-------------------|------------------------------------|-------------------|
| | Actual results | Actual results | Percentage change | Actual results | Percentage change |
| Net sales | 213 | 152 | +40.1% | 141 | +51.2% |
| Gross profit | 205 | 142 | +43.7% | 133 | +53.8% |
| SG&A expenses | 273 | 230 | +18.9% | 237 | +15.2% |
| Operating profit | -69 | -87 | - | -104 | - |

FY2022 Q3 Breakdown of Sales by Service

- **Sales of the event e-commerce website management service in FY2022 Q3 increased 43.0% year on year and 71.9% quarter on quarter.**

The lifting of COVID-19 restrictions has led to a gradual recovery in the number of event participants since April 2022.

- **Sales of the website management service in FY2022 Q3 increased 36.4% year on year and 17.6% quarter on quarter.**

Increased the number of new members by expanding our active marketing investment in CoupLink.

Increased matching rates by improving the AI-based matching algorithm.

(Millions of yen)

| | FY2022 Q3 | Vs. year-ago quarter FY2021 Q3 | | Vs. preceding quarter FY2022 Q2 | |
|--|----------------|-----------------------------------|-------------------|------------------------------------|-------------------|
| | Actual results | Actual results | Percentage change | Actual results | Percentage change |
| Event e-commerce website management service | 153 | 107 | +43.0% | 89 | +71.9% |
| Component ratio (%) | 71.7% | 70.9% | +0.8pt | 63.3% | +8.4pt |
| Website management service | 60 | 44 | +36.4% | 51 | +17.6% |
| Component ratio (%) | 28.3% | 29.1% | -0.8pt | 36.7% | -8.4pt |

- The equity ratio remained high, at 83.2%.

(Millions of yen)

| | | FY2021 | FY2022 Q3 | YoY |
|---|-------------------------|--------------|--------------|---------------|
| | Current assets | 1,876 | 1,692 | -184 |
| | Cash and deposits | 1,830 | 1,615 | -215 |
| | Non-current assets | 65 | 63 | -1 |
| Total assets | | 1,942 | 1,756 | -186 |
| | Current liabilities | 110 | 153 | +43 |
| | Non-current liabilities | 139 | 141 | +1 |
| Total liabilities | | 250 | 295 | +44 |
| Total net assets | | 1,692 | 1,461 | -231 |
| Total liabilities and net assets | | 1,942 | 1,756 | -186 |
| Equity ratio | | 87.1% | 83.2% | -3.9pt |

2 FY2022/9 Financial Results Outlook



Revised Full-Year Financial Results Forecast for FY2022

- We made a downward revision of the full-year financial results forecast considering the nationwide spread of COVID-19 starting in July 2022.

(Millions of yen)

| | Initial forecast as of Nov. 7, 2021 | Revised forecast as of August 5 | Changes |
|--|--|------------------------------------|-------------|
| Net sales | 1,287 | 749 | -537 |
| Event e-commerce website management service | 1,001 | 529 | -493 |
| Website management service | 286 | 220 | -44 |
| Costs and SG&A expenses | 1,286 | 1,073 | -213 |
| Operating profit | 1 | -323 | -325 |
| Ordinary profit | 1 | -319 | -321 |
| Profit | 0 | -319 | -320 |

- **Continue marketing investment in “CoupLink” matching app**

In order to increase our market share in the growing matching app market as well as to optimize our product portfolio, we will continue to make aggressive marketing investments in CoupLink.

- **Enhance coordination among our services for users looking for love and marriage**

By effectively utilizing our product lineup in the dating and marriage domains, which is one of our strengths, we will enhance the growth of our services and improve their profitability through mutual referral of users of each service.

- **Improve customer experience by utilizing AI**

We will strive to improve the customer experience for our users by proactively utilizing AI technology to raise the rate of matching users as well as quickly detecting and dealing with undesirable users such as unrelated vendors.

Achievements of Our Major Initiatives Since Q3 (1)



Event portal site “machicon JAPAN” started co collaborating with T-POINT.

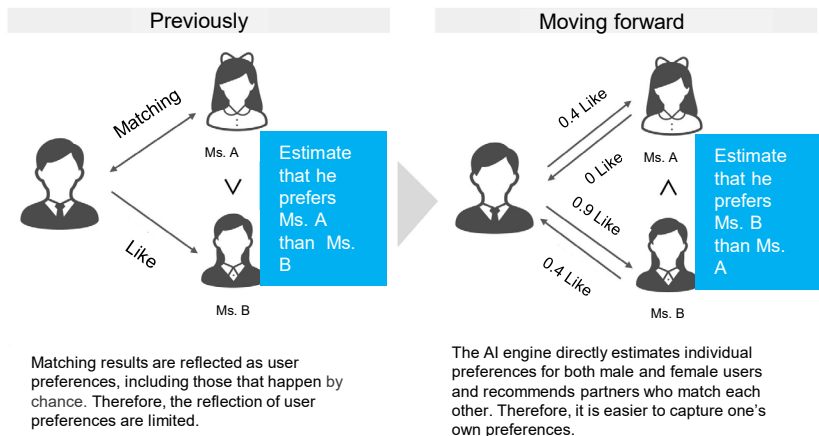
We started offering a new service in which our users can earn T-points according to the price of event tickets purchased through machicon JAPAN. This service is part of our initiatives to increase user loyalty.

“7seconds Online Share House,” an online community for singles only, was kicked off on a full scale.

With the aim of providing a new type of meeting place, we launched an online community service that allows users to easily connect to other users online and build relationships slowly over time.



Achievements of Our Major Initiatives since Q3 (2)



Our original AI engine increased the number of matches by up to 1.8 times in the “CoupLink” matching app.

With the aim of improving the customer experience for our users, we provide an original AI engine that predicts and estimates user preferences through machine learning and introduces partners who are more likely to match their preferences.

Held an event exclusively for singles utilizing the metaverse.

We hosted an event on a trial basis for a new type of meeting place where users communicate with each other using avatars. This allows users to enjoy meetings that value their feelings rather than being swayed by appearance or profile.



3 Company Profile





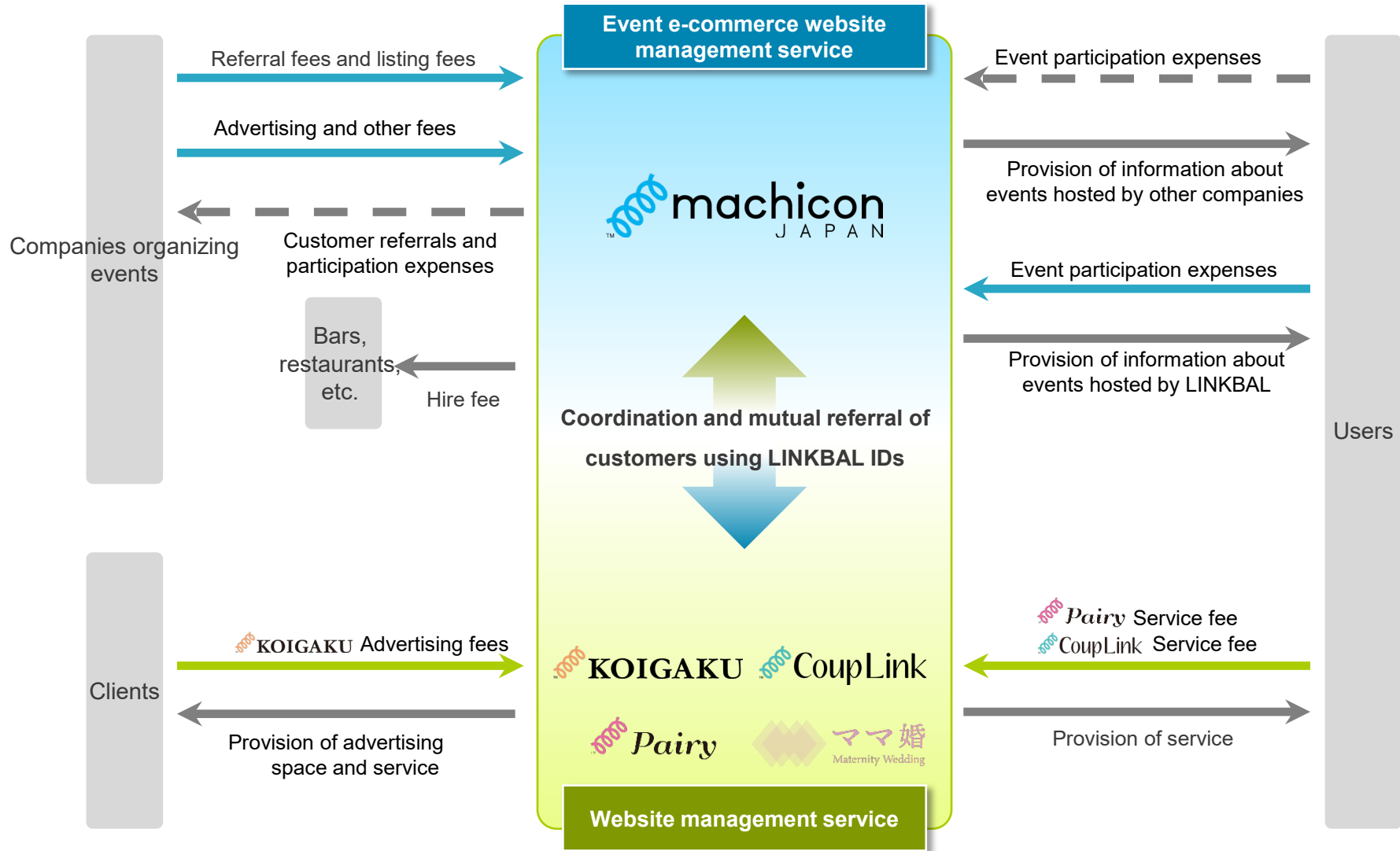
Mission

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 2.31 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 “Pairy.”

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

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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 an 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”




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



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