



LINKBAL

Presentation materials for the Six months Ended March 31, 2023

LINKBAL INC.

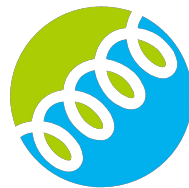
May 10, 2023
(Stock code: 6046)

- 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.

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FY2023/9 Q2 Results Summary



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FY2023 Q2 Financial Results Summary

- Net sales increased 46.4% year on year to 205 million yen.
- Costs and SG&A expenses increased 9.4% year on year to 268 million yen.

(Millions of yen)

	FY2023 Q2	FY2022 Q2	
	Actual results	Actual results	YoY
Net sales	205	140	+46.4%
Costs and SG&A expenses	268	245	+9.4%
Margin (%)	130.7%	175.0%	△44.3pt
Operating profit	-63	-104	-
Margin (%)	-	-	-
Ordinary profit	-62	-101	-
Margin (%)	-	-	-
Profit	-63	-100	-
Margin (%)	-	-	-

FY2023 Q2 Breakdown of Sales by Service

- Sales of the event e-commerce website management service in FY2023 Q2 increased 51.7% year on year.**

Event lineup was expanded as the effects of COVID-19 pandemic weaken, and the number of participants has grown steadily. Sales made a substantial recovery, increasing 51% year on year.

- Sales of the website management service in FY2023 Q2 increased 35.3% year on year.**

The number of matching app “CoupLink” users has increased due to active investment and maintained growth from the previous year. Furthermore, introducing AI technology increased the safety of the usage environment, customer experience. (Millions of yen)

	FY2023 Q2	FY2022 Q2	
	Actual results	Actual results	Percentage change
Event e-commerce website management service	135	89	+51.7%
Component ratio (%)	65.9%	63.6%	+2.3pt
Website management service	69	51	+35.3%
Component ratio (%)	34.1%	36.4%	-2.3pt

- Maintained a high level of equity ratio at 76.5%, and ample operating capital.

(Millions of yen)

		FY2023 Q2	FY2022 Q2	YoY
	Current assets	1,577	1,816	-239
	Cash and deposits	1,485	1,754	-269
	Non-current assets	93	66	+27
Total assets		1,670	1,882	-212
	Current liabilities	252	211	+41
	Non-current liabilities	140	141	-1
Total liabilities		392	352	+40
Total net assets		1,278	1,529	-251
Total liabilities and net assets		1,670	1,882	-212
Equity ratio		76.5%	81.3%	-4.8pt

2 FY2023/9 Financial Results Outlook



- **Initiatives from FY2023 Q3 onward**

For our event EC operation service, we aim to increase participant satisfaction and encourage continued use and expansion of participation by strengthening the path to highly satisfactory events through "machicon JAPAN".

For website management services, we have further strengthened measures to remove fraudulent vendors on CoupLink to improve the customer experience. Furthermore, we have introduced minigames in an effort to increase retention rates.

(Millions of yen)

	Initial forecast	Q2 total	Progress
Net sales	1,201	430	35.8%
Event e-commerce website management service	875	290	33.1%
Website management service	325	139	42.8%
Costs and SG&A expenses	1,191	548	46.0%
Operating profit	10	-118	-
Ordinary profit	10	-117	-
Profit	10	-118	-

3 Incorporation of Wholly-owned AI Subsidiary



Incorporation of Wholly-owned AI Subsidiary

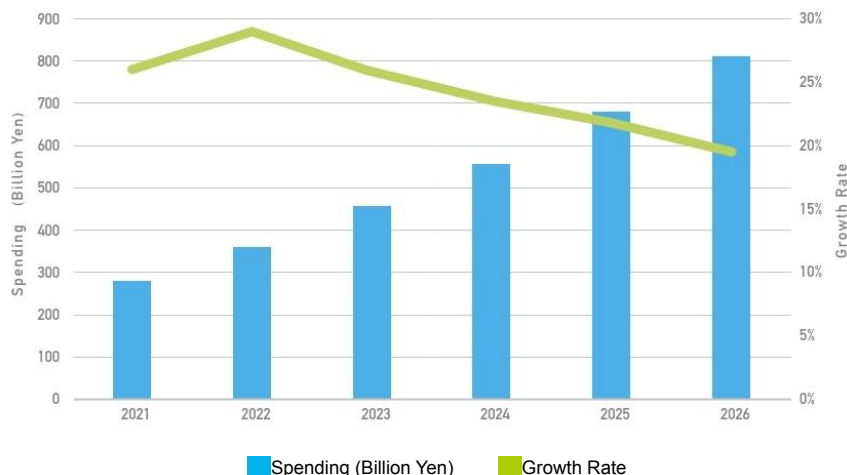
- **Established a wholly-owned subsidiary "MiDATA INC." with the aim of expanding AI development services.**

We established the AI Promotion Office in July 2020 to develop a variety of AI technologies such as recommendation engines, matching engines, and detection of fraudulent vendors.

On this occasion, we have leveraged our accumulated knowledge and track record and incorporated a wholly-owned subsidiary "MiDATA INC." on May 11, 2023, to provide AI technology services to external parties. We will strive to create a new source of revenue in the AI business for further growth.

■ Entry into the rapidly growing AI market

The market scale of Japan's AI system market is predicted to exceed 812.0 billion yen in 2026, with further growth expected.



Source: IDC Japan, "Japan Artificial Intelligence Systems Forecast" May 24, 2022.

■ Development achievements

● AI matching engine

A proprietary AI matching engine was developed for the "CoupLink" matching app. Compared to the past, the number of matches increased 3.8 times.

● Automatic detection of fraudulent vendors

We developed an engine based on Deep Learning technology for profile detection, photo detection, etc., to contribute to swift vendor removal logic.

In addition, development of many other engines

4 Company Profile





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Corporate identity

Meeting people, that is the future.

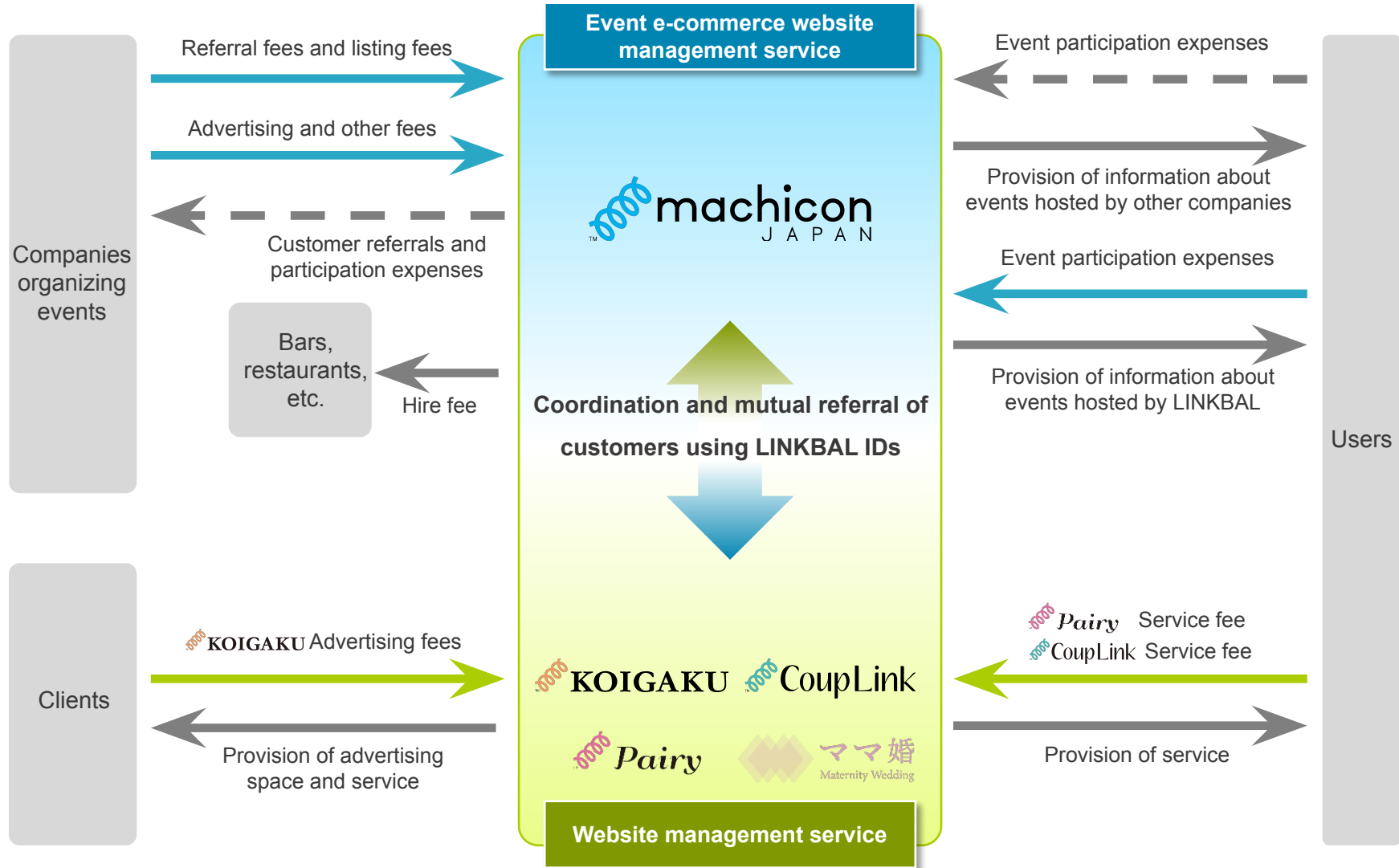
Mission

Create opportunities to meet.

Vision

**Create a world full of possibilities
for every individual.**

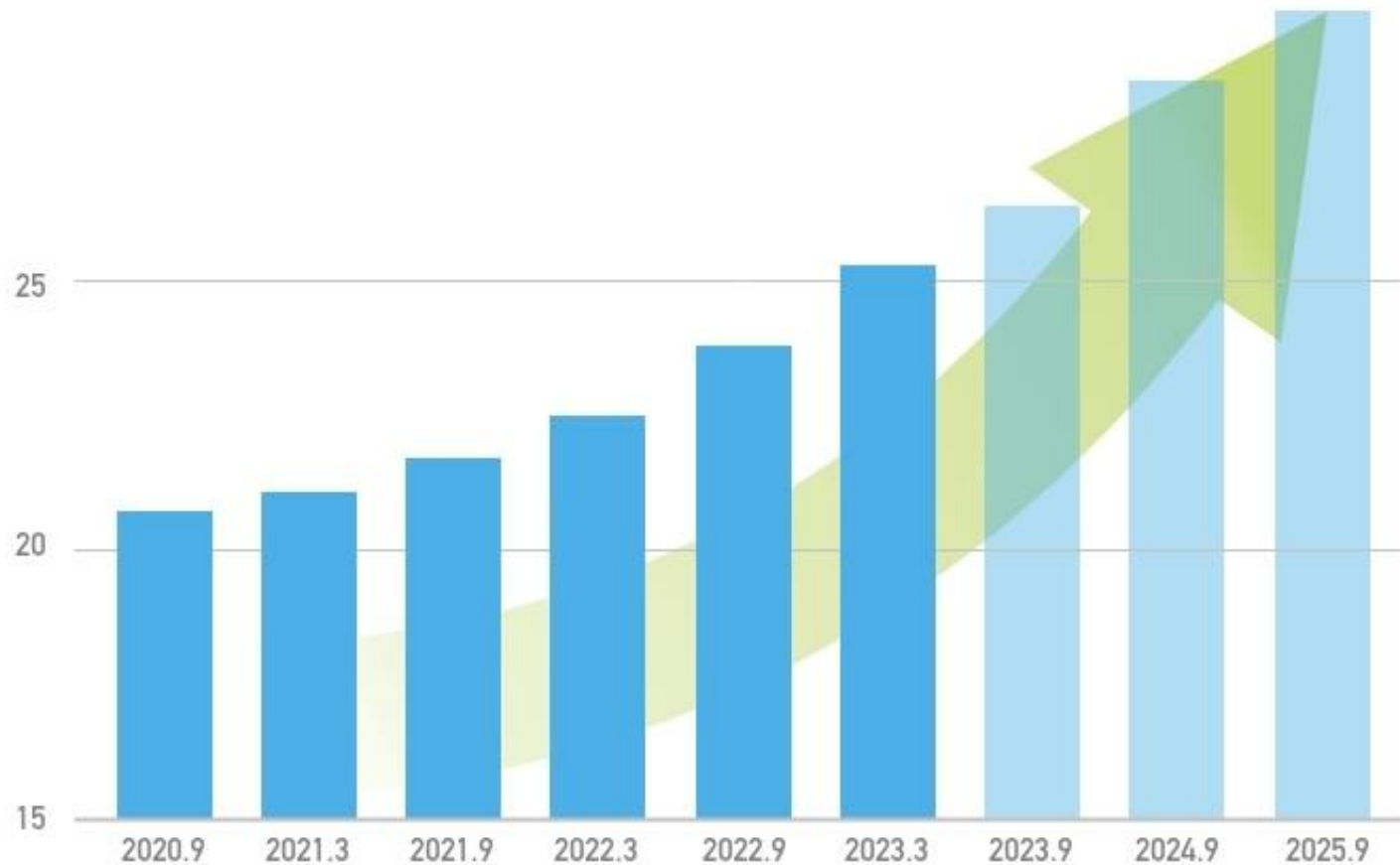




LINKBAL ID Membership Trends

Membership increased steadily despite the pandemic, creating a stable growth base. We will continue to further strengthen cross-service coordination and mutual referral of customers.

(Hundred thousand people)



With 2.51 million members and a large selection of event listings, machicon JAPAN is one of Japan's largest matching event 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 contents

Dating and marriage

Making friends

Professional networking

Face-to-face meetings

Self-improvement

Experiences

, etc.

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

By collaborating with “machicon JAPAN,” Japan’s first matching app that collaborates with matching events, we have a customer attracting channel that is especially ours and different from other companies.

Matching app “CoupLink”



[Outline and features]

- Provides an online matchmaking service for users
- Event participants can exchange messages via the app
- Free membership registration (LINKBAL ID*1)
- Subscription-based model
- App is used by event participants, giving users a greater sense of safety and peace of mind
- App has many registered users who are very engaged in looking for love and participates in events

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

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 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”



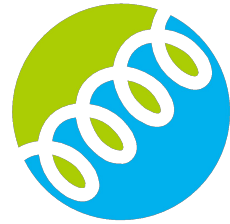

- Provides support for users seeking marriage
- Marriage counseling offering online services
- Subscription-based model

“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



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