



LINKBAL

Presentation materials for the Nine months Ended June 30, 2023

LINKBAL INC.

Aug 9th, 2023

(Security Code: 6046)

- The plans, outlooks, strategies, and other descriptions related to the future contained in this document are based on certain assumptions that we consider reasonable and information available to us at the time of creating this document. However, there are various risks and uncertainties inherent in these statements.
- Actual performance, among other things, may differ significantly from the statements in this document due to changes in the business environment.
- In addition, the information related to our company contained in this document is sourced from publicly available information and other sources, and we do not guarantee the accuracy of such information.

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Summary of Fiscal Year 2023 Q2 Financial Results



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FY2023 Q3 Performance Overview

- net sales increased 19.4% compared to the same cumulative quarter of the previous year resulting as 651 million yen
- Cost of SG&A expenses: 837 million yen, an increase of +5.3% compared to the same cumulative quarter of the previous year.

(Millions of yen)

| | FY2023 3Q Cumulative | Same period of the previous year FY2022 3Q Cumulative | |
|-----------------------------------|----------------------|--|----------------------------|
| | actual results | actual results | Ratio of increase/decrease |
| Net sales | 651 | 545 | 19.3% |
| Cost and SG&A expenses | 837 | 794 | 5.3% |
| sales ratio (%) | 128.5% | 145.6% | △17.1pt |
| Operating income | △185 | △248 | - |
| sales ratio (%) | - | - | - |
| Ordinary income | △185 | △244 | - |
| sales ratio (%) | - | - | - |
| Net income for the quarter | △189 | △244 | - |
| sales ratio (%) | - | - | - |

FY2023 Q3 Service Revenue Overview

- Event e-commerce site operation services: +13.6% compared to the same cumulative quarter of the previous year.**
 The impact of the new coronavirus infection has decreased, and the number of participants in the "machicon JAPAN" events is gradually recovering. However, the return is slower than anticipated.
- Website management services +33.9% compared to the same cumulative quarter of the previous year.**
 The "CoupLink" matching application continued to grow from the previous year with ongoing marketing investments. AI was utilized and strengthened to combat impersonators with fraud risks and improve the customer experience.

(Millions of yen)

| | FY2023 3Q Cumulative | Same period of the previous year FY2022 3Q Cumulative | |
|---|----------------------|---|----------------------------|
| | actual results | actual results | Ratio of increase/decrease |
| Event e-commerce site operation services | 444 | 391 | +13.6% |
| Composition ratio (%) | 68.2% | 71.7% | △3.4pt |
| Website management services | 206 | 154 | +33.9% |
| Composition ratio (%) | 31.7% | 28.3% | +3.4pt |

- Maintained a high level of equity ratio at 78.2%, and ample operating capital.

(Millions of yen)

| | | FY2023 3Q | FY2022 4Q | FY2022 4Q比 |
|---|-------------------------|--------------|--------------|---------------|
| | Current assets | 1,384 | 1,639 | △254 |
| | Cash and deposits | 1,292 | 1,563 | △271 |
| | Non-current assets | 158 | 50 | +108 |
| Total assets | | 1,543 | 1,689 | △146 |
| | Current liabilities | 183 | 154 | +28 |
| | Non-current liabilities | 153 | 141 | +11 |
| Total liabilities | | 336 | 296 | +40 |
| Total net assets | | 1,206 | 1,393 | △186 |
| Total liabilities and net assets | | 1,543 | 1,689 | △146 |
| Equity ratio | | 78.2% | 82.5% | △4.3pt |

2 FY2023/9 Financial Results Outlook



- Taking into account the performance of the third quarter of the fiscal year ending in September 2023, we are revising our full-year performance forecast downward.

(Millions of yen)

| | Initial forecast | 修正予想 | Progress |
|---|------------------|--------------|---------------|
| Net sales | 1,201 | 877 | △26.9% |
| Event e-commerce website management service | 875 | 621 | △29.0% |
| Website management service | 325 | 256 | △21.2% |
| Costs and SG&A expenses | 1,191 | 1,168 | △1.9% |
| Operating profit | 10 | △291 | - |
| Ordinary profit | 10 | △291 | - |
| Profit | 10 | △295 | - |

3 "1on1 for Singles" Shinjuku Store Now Open.



New service "1on1 for Singles" opens at Shinjuku

- **Introducing a new form of one-on-one dating experience: "1on1 for Singles."**

We have opened a new service in Shinjuku to provide a fresh one-on-one dating experience for all singles. "1on1 for Singles" operates on a membership basis, offering private individual rooms where customers can have relaxed conversations with each other.

Characteristics of the service

1 Premium environment and hospitality.

We provide a special one-on-one encounter in meticulously crafted premium private spaces with hospitality akin to luxury hotels.

2 Get to know your match well in just 20 minutes.

During the 1on1 session, you can converse while viewing each other's profiles. You have the opportunity to get to know your partner well in just 20 minutes, discussing hobbies, personalities, and more.

3 High-quality and secure encounters through our rating system.

After the 1on1 session, customers will provide mutual ratings for each other. By utilizing these ratings, we maintain the quality of encounters, ensuring a high-quality and secure meeting experience.



4 Incorporation of Wholly-owned AI Subsidiary



Incorporation of Wholly-owned AI Subsidiary

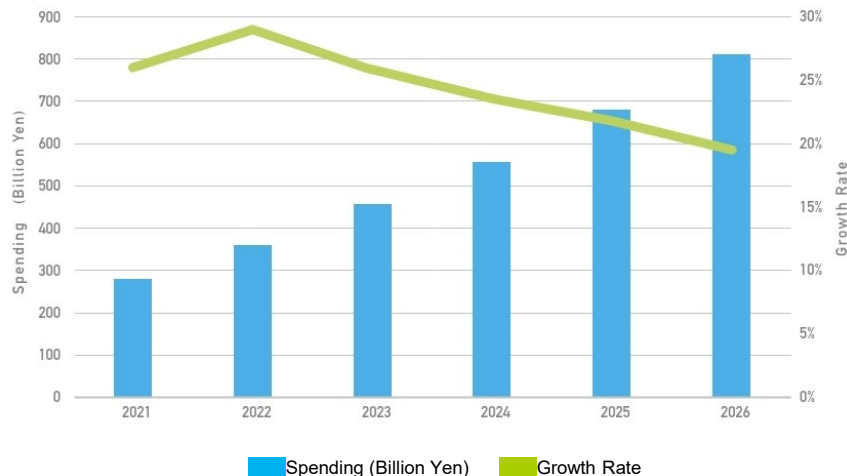
- **Established a wholly-owned subsidiary "MiDATA INC." with the aim of expanding AI development services.**

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.

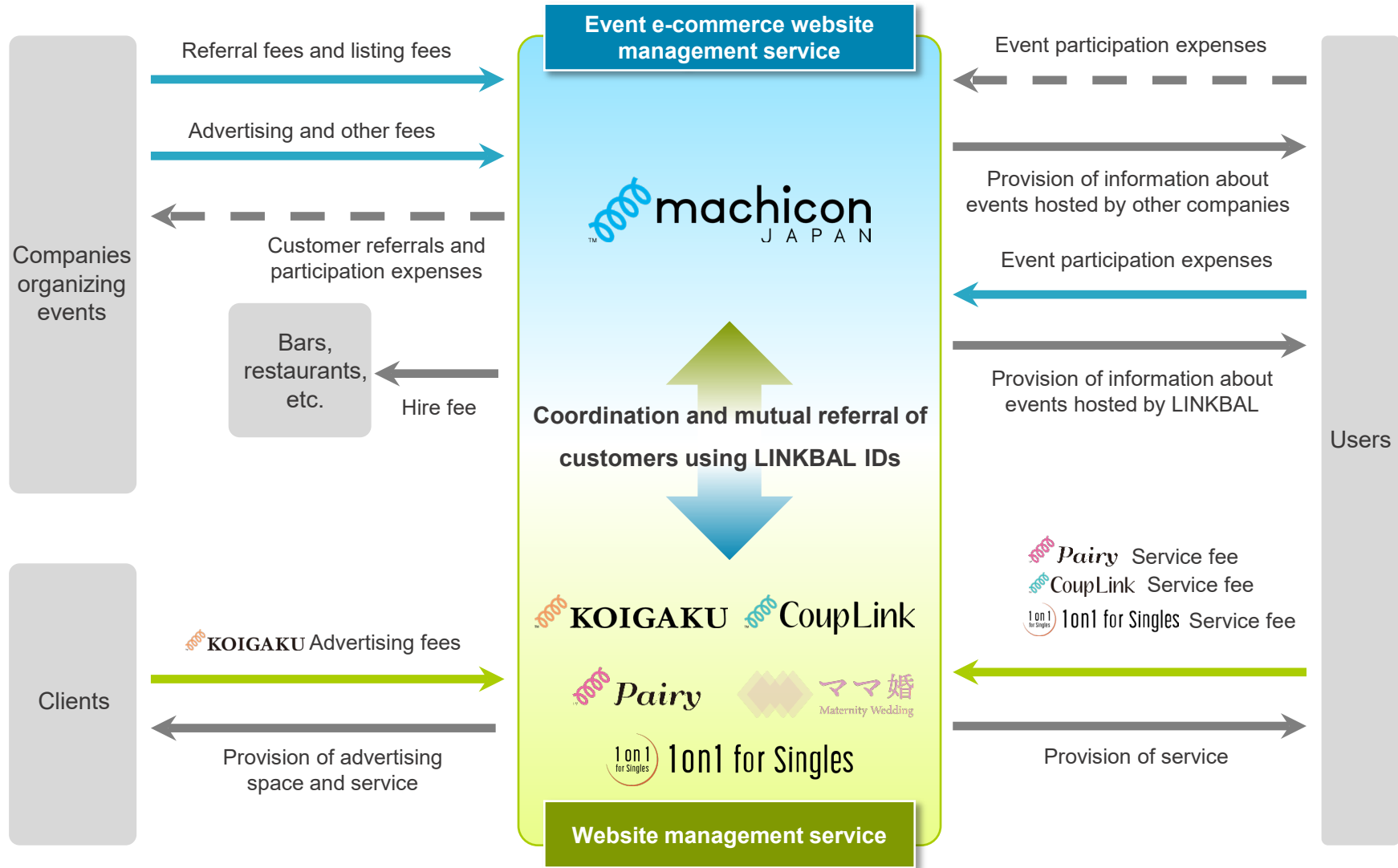
● Automatic detection of fraudulent vendors

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

5 Company Profile

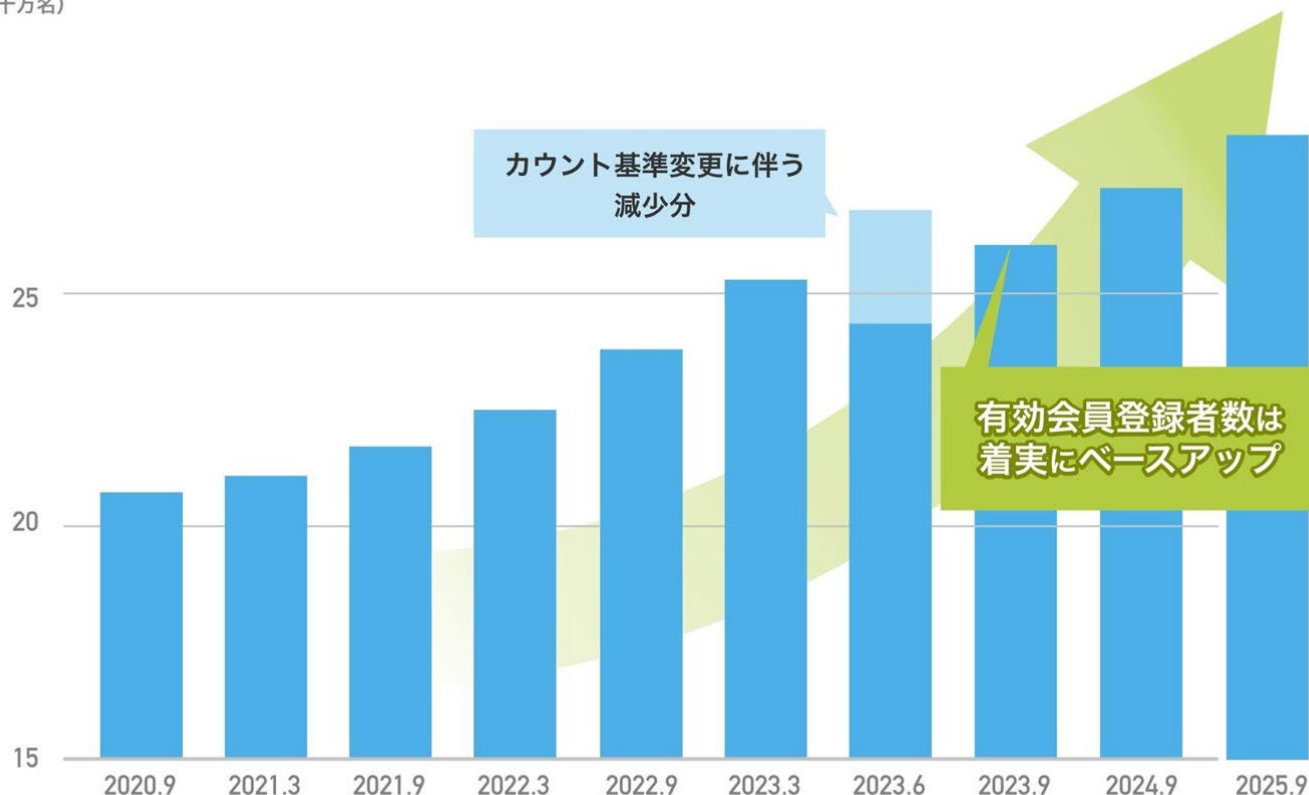




LINKBAL ID Membership Trends

Starting from the third quarter, we have revised our criteria to exclude accounts with insufficient registration information from being counted as active members. Due to this change in criteria, when excluding the factor of decreased membership due to this adjustment, our member base is actually expanding.

(単位：十万名)



With 2.42 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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