



**LINKBAL**

# Presentation materials for the Fiscal Year Ended September 30, 2023

LINKBAL INC.

Nov 8th, 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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# 1 Summary of Fiscal Year 2023 Financial Results



## Fiscal year 2023 full-year performance summary

- Net sales :891 million yen (Year-over-year +16.5%)
- Operating income :  $\Delta$ 249 million yen

## Fiscal year 2024 full-year performance forecast

- Net sales :1,208 million yen
- Operating income :2 million yen

# Fiscal Year 2023 Full-Year Performance Overview

- **Net sales 891 million yen Year-over-year+16.5%**
- **Cost and SG&A expenses 1,140 million yen Year-over-year+6.7%**

(Millions of yen)

	FY2023 Full Year		FY2022 Full Year	
	actual results		actual results	Ratio of increase/decrease
<b>Net sales</b>	<b>891</b>		<b>765</b>	<b>16.5%</b>
<b>Cost and SG&amp;A expenses</b>	<b>1,140</b>		<b>1,069</b>	<b>6.7%</b>
sales ratio (%)	128.0%		139.8%	△11.8pt
<b>Operating income</b>	<b>△249</b>		<b>△304</b>	-
sales ratio (%)	-		-	-
<b>Ordinary income</b>	<b>△251</b>		<b>△300</b>	-
sales ratio (%)	-		-	-
<b>Net income for the quarter</b>	<b>△266</b>		<b>△312</b>	-
sales ratio (%)	-		-	-

# FY2023 Full-Year Service Revenue Overview

- **Event e-commerce site operation services: Year-over-year+14.3%**

In order to increase the number of participants in the "machicon JAPAN" event, we have expanded the event and strengthened our collaboration with owned media. While the number of participants has been increasing, it has been a gradual recovery compared to our initial expectations.

- **Website management services: Year-over-year+23.1%**

The "CoupLink" matching application continued its marketing investments. Additionally, in pursuit of improved user experience, it strengthened vendor protection measures using AI technology. As a result, the number of active users has increased, and the growth from the previous period has been sustained.

(Millions of yen)

		FY2023 Full Year		FY2022 Full Year	
		actual results	actual results	actual results	Ratio of increase/decrease
<b>Event e-commerce site operation services</b>		<b>616</b>	<b>539</b>	<b>+14.3%</b>	
	Composition ratio (%)	69.2%	70.5%	△1.3pt	
<b>Website management services</b>		<b>274</b>	<b>225</b>	<b>+21.7%</b>	
	Composition ratio (%)	30.9%	29.5%	1.4pt	

# Fiscal Year 2023 Balance Sheet Overview

- Maintained a high level of equity ratio at 77.0%, and ample operating capital.

(Millions of yen)

		FY2023	FY2022	YOY
	Current assets	1,279	1,639	△360
	Cash and deposits	1,154	1,563	△408
	Non-current assets	188	50	+138
<b>Total assets</b>		<b>1,468</b>	<b>1,689</b>	<b>△221</b>
	Current liabilities	182	154	+27
	Non-current liabilities	155	141	+14
<b>Total liabilities</b>		<b>337</b>	<b>296</b>	<b>+41</b>
<b>Total net assets</b>		<b>1,130</b>	<b>1,393</b>	<b>△262</b>
<b>Total liabilities and net assets</b>		<b>1,468</b>	<b>1,689</b>	<b>△221</b>
<b>Equity ratio</b>		<b>77.0%</b>	<b>82.5%</b>	<b>△5.5pt</b>



## 2 Fiscal Year 2024 Performance Outlook



# Fiscal Year 2024 Performance Outlook

- **Net sales : 1,208 million yen (Year-over-year+35.7%)**

**Event e-commerce site operation services : 909 million yen (Year-over-year+47.6%)**

**Website management service : 298 million yen (Year-over-year+8.8%)**

Event EC site operation services will enhance the event listing information for 'machicon JAPAN' and actively work on demand recovery through newly planned events by our company.

Web site operation services will continue to expand the market share of 'CoupLink' through marketing investments, strengthen collaboration with 'machicon JAPAN,' and focus on increasing awareness and user base for the service.

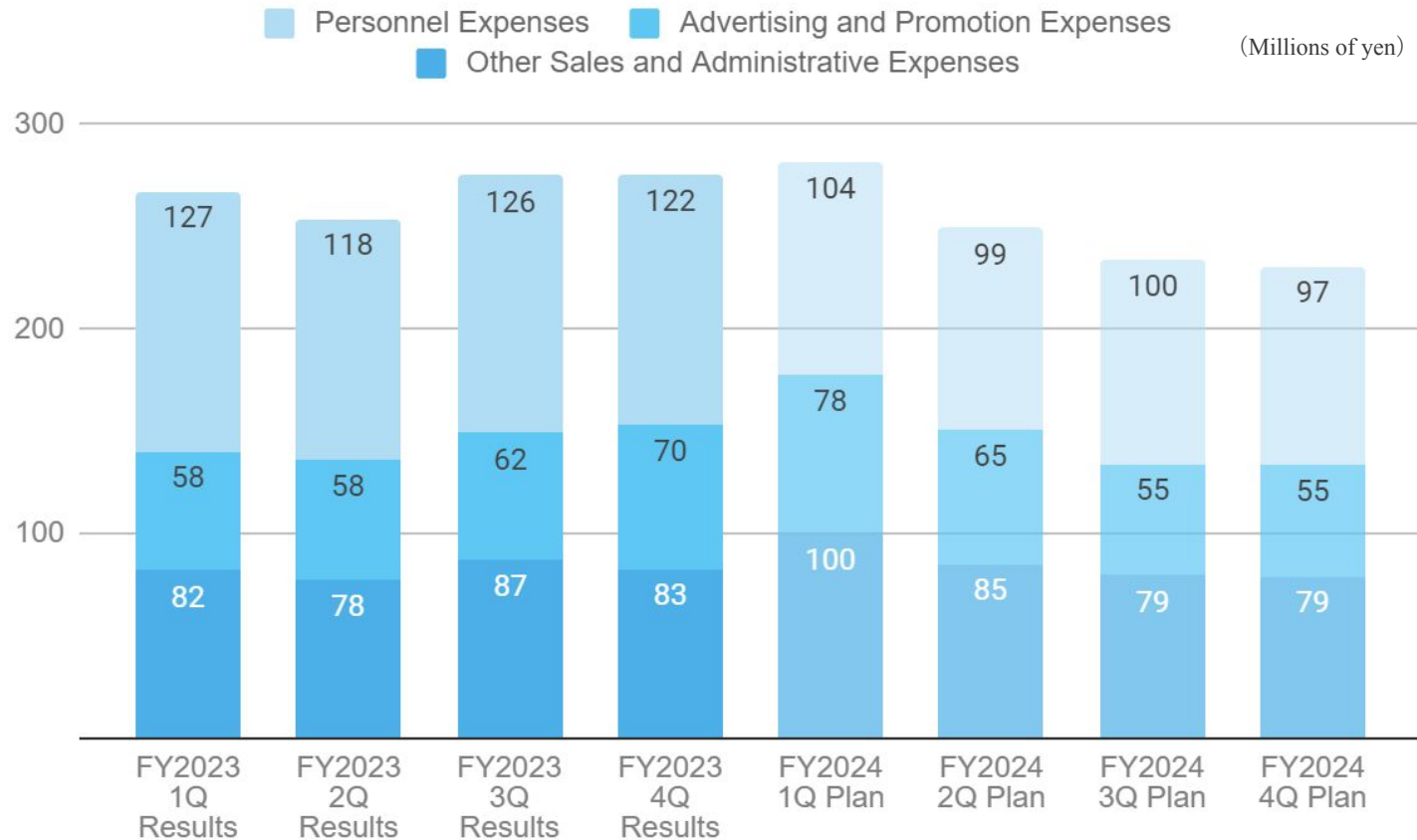
(Millions of yen)

	FY2023 Full-Year Actual Performance	FY2024 Full-Year Plan	Budget Variance
<b>Net sales</b>	<b>890</b>	<b>1,208</b>	<b>+318</b>
Event e-commerce website management service	616	909	+293
Website management service	274	298	24
<b>Costs and SG&amp;A expenses</b>	<b>1,140</b>	<b>1205</b>	<b>+65</b>
<b>Operating profit</b>	<b>△249</b>	<b>2</b>	<b>+247</b>
<b>Ordinary profit Profit</b>	<b>△249</b>	<b>2</b>	<b>+247</b>
<b>Ordinary profit Profit</b>	<b>△253</b>	<b>0</b>	<b>+253</b>

# Sales and Administrative Expense Trend

- **Cost reduction through the consolidation of management resources.**

We will execute a cost review, including the reduction of indirect operations and administrative expenses resulting from the efficiency improvement in business operations. Additionally, we will focus on efficient personnel cost management through the promotion of appropriate staffing and work towards the promotion of effective cost management.



3 "1on1 for Singles" Two stores opened



## 2 stores of '1on1 for Singles' opened

- **The service of '1on1 for Singles,' a café where you can meet one-on-one, has commenced.**

This is a brick-and-mortar service that creates new one-on-one encounters for all 'singles.' In July 2023, we opened our first store, Shinjuku, and in September, we opened the Ebisu store, bringing the total to two stores.

### 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

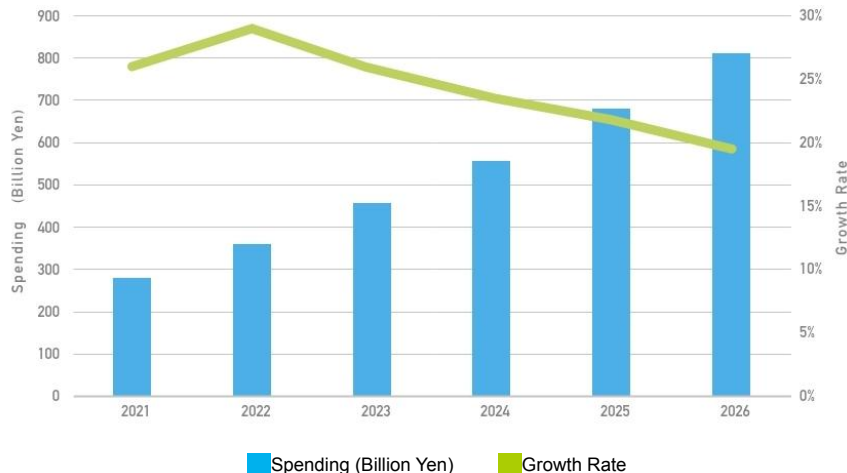
- **Established a wholly-owned subsidiary "MiDATA INC." with the aim of expanding AI development services.**

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

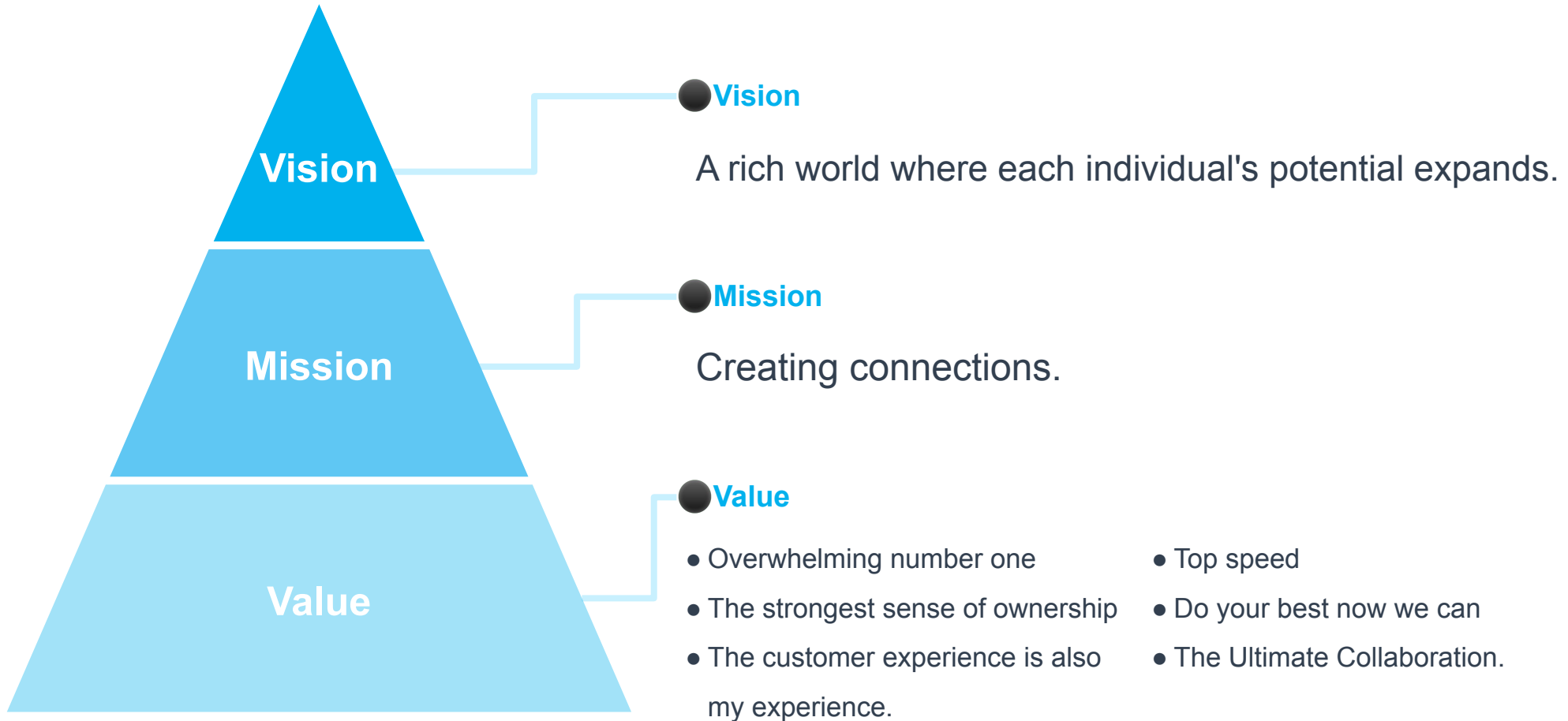
## 5 Company Profile

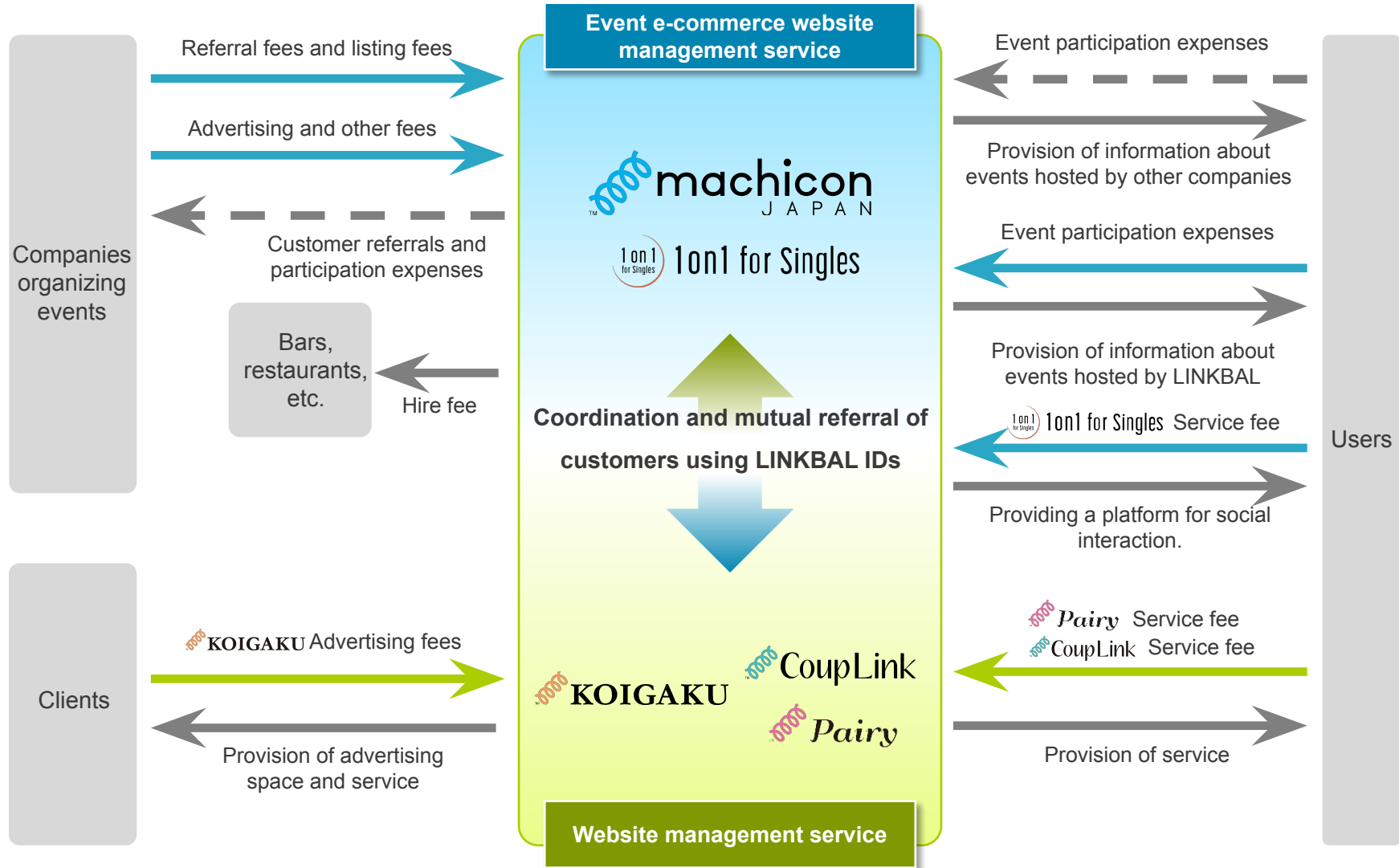




## Management Principle

Meeting people, that is the future.

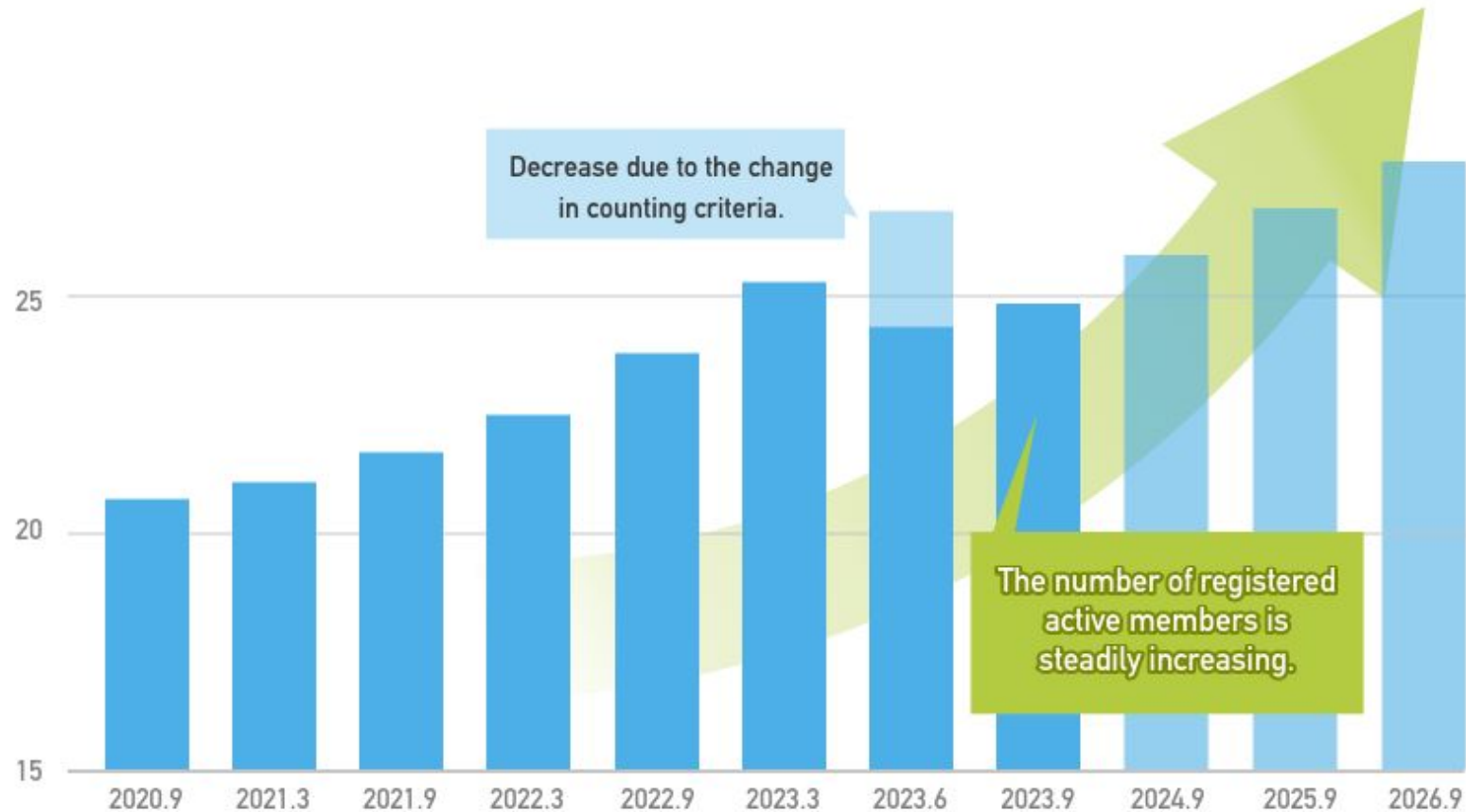




# LINKBAL ID Membership Trends

Starting from the third quarter, we have changed our criteria so that accounts with insufficient registration information are not counted as active members. Excluding the decrease in membership due to this criterion change, our member base is steadily expanding.

(Unit: Ten thousand individuals)



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.”

# Event E-commerce Website Management Service

**1on1 for Singles™ is a cafe where you can meet one-on-one.  
We realize one-on-one encounters for all "singles".**

1on1 for Singles, a cafe where you can meet one-on-one



[Outline and features]

- Provides a place for one-on-one interaction
- Introduce membership system and evaluation system among users
- Opened the first store in Shinjuku in July 2023.
- Opened Ebisu branch in September 2023

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.

## Online marriage counseling “Marriage Style”



[Outline and features]

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

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



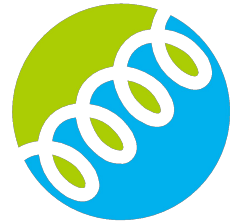
- Provides online information sharing service for couples
- Free membership registration
- Subscription-based model

## Information site to learn about love「KOIGAKU」



- Provides a variety of content, including column articles on love
- Free to browse content
- Adopts an advertising revenue model





**LINKBAL**