

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS for the Fiscal Period Ended December 31, 2023 <Japanese GAAP>

February 14, 2024

Company name: Kaizen Platform, Inc.	Stock exchange listings: Tokyo Stock Exchange
Securities code: 4170	URL: https://kaizenplatform.com/ir/
Representative: Kenji Sudo Chief Executive Officer	
Contact: Hidenao Asai Executive Officer	Tel: 03-5909-1151
Scheduled date of annual shareholders' meeting:	March 28, 2024
Scheduled date to commence dividend payments:	-
Scheduled date to file securities report:	March 29, 2024
Supplementary materials for financial results	Yes
Holding of financial results briefing session:	Yes

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Period Ended December 31, 2023 (January 1, 2023 - December 31, 2023)

(1) Consolidated operating results

(Percentages indicate period-on-period changes)

Period ended	Sales		Operating profit		Ordinary profit		Net income attributable to parent company shareholders	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2023	4,343	62.8	(25)	-	11	-	(21)	-
December 31, 2022	2,667	18.0	(102)	-	(127)	-	(285)	-

(Note) Comprehensive profit:

Period ended December 31, 2023: 66 million yen (- %)

Period ended December 31, 2022: (134) million yen (- %)

Period ended	Net income per share	Diluted net income per share	Return on shareholders' equity	Return on asset	Operating profit margin
	Yen	Yen	%	%	%
December 31, 2023	(1.29)	-	(0.7)	0.2	(0.6)
December 31, 2022	(17.23)	-	(8.8)	(2.7)	(3.9)

(Reference) Equity method investment gain:

Period ended December 31, 2023: - million yen

Period ended December 31, 2022: (5) million yen

(Note) Diluted net income per share is not shown due to the net loss per share, although dilutive shares exist.

In the fiscal year ended December 31, 2023, the Company has confirmed the provisional accounting treatment concerning business combinations. Accordingly, data for the fiscal year ended December 31, 2022 is presented at the amounts after reflecting the contents of the confirmation of the provisional accounting treatment.

(2) Consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
December 31, 2023	4,369	3,190	72.1	186.86
December 31, 2022	5,236	3,280	60.8	190.55

(Reference) Shareholders' equity:

As of December 31, 2023: 3,151 million yen

As of December 31, 2022: 3,182 million yen

(Note) In the fiscal year ended December 31, 2023, the Company has confirmed the provisional accounting treatment concerning business combinations. Accordingly, data for the fiscal year ended December 31, 2022 is presented at the amounts after reflecting the contents of the confirmation of the provisional accounting treatment.

(3) Consolidated cash flow

Period ended	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
December 31, 2023	78	(819)	(908)	1,693
December 31, 2022	127	(446)	505	3,337

2. Dividends

	Annual dividend per share					Dividends (total)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal period ended December 31, 2022	-	0.00	-	0.00	0.00	-	-	-
Fiscal period ended December 31, 2023	-	0.00	-	0.00	0.00	-	-	-
Fiscal period ending December 31, 2024 (forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated Earnings Forecast for the Fiscal Period Ended December 31, 2024 (January 1, 2024 ~ December 31, 2024)

(Percentages indicate period-on-period changes)

Full year	Sales		EBITDA		Operating profit		Ordinary profit		Net income attributable to parent company shareholders		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	4,500	3.6	250	4.5	10	-	0	-	(30)	-	(1.77)

(Notes) EBITDA = Operating profit + Depreciation + Amortization of goodwill + Share-based remuneration expenses

*Notes

- (1) Changes in significant subsidiaries during the current fiscal year (changes in specified subsidiaries resulting in changes in scope of consolidation): None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly consolidated companies (--) Newly excluded companies (--)
- (2) Changes in accounting policies, changes in accounting estimates and retroactive restatements
 - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - 2) Changes in accounting policies due to other reasons: None
 - 3) Changes in accounting estimates: None
 - 4) Retroactive restatements: None
- (3) Total number of issued and outstanding shares (common stock)
 - Total number of issued shares at the end of the period (including treasury shares)
 - As of December 31, 2023 16,865,731 shares
 - As of December 31, 2022 16,700,429 shares
 - 1) Total number of treasury shares at the end of the period
 - As of December 31, 2023 110 shares
 - As of December 31, 2022 44 shares
 - 2) Average number of shares during the period
 - Period ended December 31, 2023 16,831,007 shares
 - Period ended December 31, 2022 16,590,693 shares

(Reference) Non-consolidated operating results

1. Non-consolidated Financial Results for the Fiscal Period Ended December 31, 2023 (January 1, 2023 - December 31, 2023)

(1) Non-consolidated operating results

(Percentages indicate period-on-period changes)

Period ended	Sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2023	2,012	(0.5)	(24)	-	(33)	-	(25)	-
December 31, 2022	2,023	(1.3)	(103)	-	(132)	-	(260)	-

Period ended	Net income per share	Diluted net income per share
	Yen	Yen
December 31, 2023	(1.53)	-
December 31, 2022	(15.69)	-

(Note) Diluted net income per share is not shown due to the net loss per share, although dilutive shares exist.

(2) Non-consolidated financial position

Period ended	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
December 31, 2023	4,001	2,206	55.1	130.81
December 31, 2022	4,596	2,209	48.1	132.30

(Reference) Shareholders' equity

Period ended December 31, 2023	2,206 million yen
Period ended December 31, 2022	2,209 million yen

* This earnings report is not subject to audit by certified public accountants or accounting firms.

* Cautionary statement regarding forecasts of operating results and special notes

Forward-looking statements and earnings forecasts presented in this material are based on information currently available to the Company as of the date hereof along with certain assumptions that are deemed to be reasonable. Furthermore, actual business results may differ materially due to various factors. Furthermore, such statements and forecasts do not guarantee the Company's operating performance. For assumptions regarding the forward-looking statements and a disclaimer concerning the use of earnings forecasts, please refer to "1. Summary of Operating Results Assumptions (4) Future Outlook" on page 3 of the appendix in the Japanese original.