

Gunosy

FY2025/5 Financial Results for Q2

Gunosy Inc.
TSE Prime (6047)



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Executive Summary



FY2025/5

1Q-2Q

(Jun - Nov 2024)

By company

Summary

Net sales	3,075 million yen	Progress against original FY2025/5 forecast 48.8%	YoY 82.5%
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Operating profit	366 million yen	Progress against original FY2025/5 forecast 81.4%	YoY + 572 million yen
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	Gunosy	Game8	Others
Net sales	1,914 million yen	1,161 million yen	0 million yen
Operating profit	104 million yen	303 million yen	- 42 million yen

Gunosy has increased its operating profit, while Game8 continues to perform well. Due to strong progress, **the operating profit forecast has been revised upward from 450 million yen to 680 million yen.** (See P5)

Regarding the new SC (store and commerce) business under Game8, the establishment of a joint venture with Sony Payment Services has been approved. This initiative aims to enhance revenue by expanding the value chain of existing operations.

As for the investment in slice, **the merger process has been completed,** marking **the launch of the first banking services** by an Indian fintech company.

While continuing investments in growth, We have adopted **a policy to strengthen shareholder returns.** Balancing investments and returns, we will appropriately consider opportunities for shareholder benefits. (See P10)

FY 2025/5 Upward Revision of Full-Year Outlook (Consolidated)

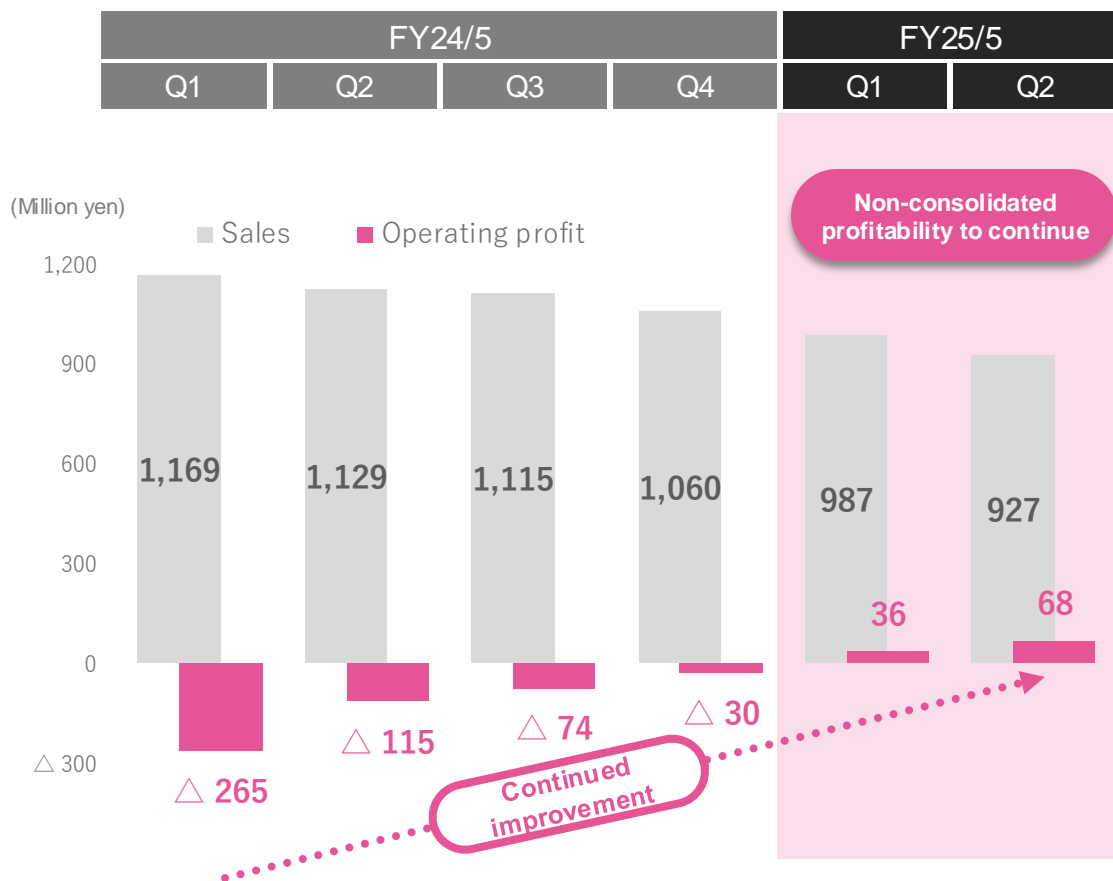
Although the sales forecast has been slightly reduced compared to the initial plan, **the operating profit has been revised upward to 51%. The net profit for the current period is also expected to turn positive.**

(Million yen)

	FY2025/5 1Q-2Q (Jun – Nov 2024)	Initial forecast (full-year)	Revised forecast (full-year)	Increase/ decrease	Progress rate
Net sales	3,075	6,300	6,120	-2.9%	50.2%
Operating profit	366	450	680	51.1%	53.9%
Operating margin	11.9%	7.1%	11.1%	-	-
Ordinary profit	89	202	429	112.4%	20.9%
Profit attributable to owners of parent	-64	-110	180	-	-

Building on the results of FY2025/5 1Q, **Gunosy achieved a quarterly operating profit, with improved profit margins.** The continued streamlining of its business portfolio and rigorous cost control measures are driving continued improvements.

Business Cost Improvements



Achieved operating profit (non-consolidated)

- Improvement of business costs
- Restructuring of business portfolio

Sales and profit continued to grow year-on-year, driving the overall growth of the Group. From October to December, Game8 achieved the **No. 1 position among domestic game media for the first time across three key metrics: traffic share, unique visitors, and sessions.**

Sales and operating profit continue to remain at high levels

FY2025/3 Q2 (Million yen)

Sales

574

YoY : 114.6%

Operating profit

151

YoY : 135.2%

FY2025/3 1-2Q (Million yen)

Sales

1,161

YoY : 121.2%

Operating profit

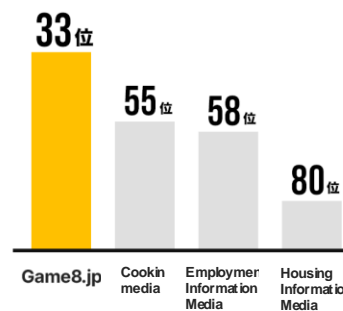
303

YoY : 149.4%

Ranked No. 1 in traffic share (TS) among domestic game media (on a quarterly basis).



Domestic Traffic Share Rankings



Rankings of domestic TS across all web media: **33rd**

Rankings of domestic game media

TS	Unique visitors	Sessions
1st	1st	1st

On December 19, 2024, the establishment of a joint venture was approved. The new company, "S8 Plus Inc.," is scheduled to be established on January 23, 2025. S8 Plus aims to leverage existing businesses and **expand into new areas related to payment solutions in the gaming and entertainment sectors.**

Joint Venture Overview



 Sony Payment Services

 Game8

Offers a proprietary network and highly secure, diverse payment solutions

Possesses a robust customer and user base in the gaming sector

Planned Initiatives

1 Out-of-app payments within Game8 articles

A proprietary service store will be set up within Game8's media, enabling direct payments and in-game reflections without relaunching the game.



2 Out-of-app payments via publisher websites

Offers a package for quick implementation of out-of-app payment systems, significantly reducing time and costs for integration.

3 Sale of game download keys

A store operated by Game8 will feature downloadable game keys, creating new sales opportunities.

Merger Completed, Becoming India's First tech first Bank Gunosy

In late October 2024, **slice completed its merger with NESFB**, marking a historic achievement as the first instance of an Indian fintech company merging with a bank.

NESFB

Scheduled Commercial Bank operating primarily in northeastern India

Company name	North East Small Finance Bank Ltd.
Head office	1st & 3rd Floor, Fortune Central , Basisthapur, Bye lane 3, Beltola Guwahati, Assam 781028, India
Representative	Satish Kumar Kalra (Managing Director & CEO)
Business	Banking service
Deposit Balance:	INR 15.195 billion (as of March 2024)
Number of Branches	232 (as of March 2024)

Regulatory changes in business scope following the merger

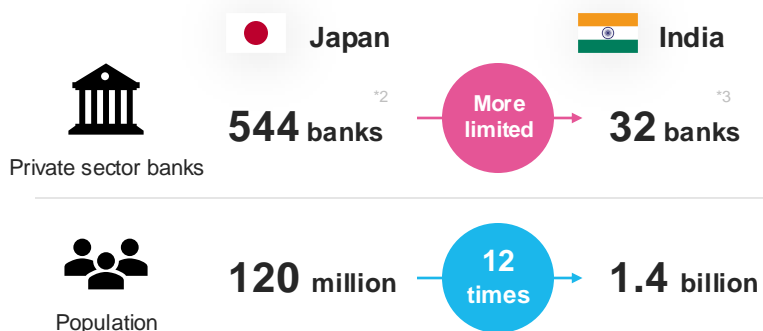
Before the Merger (slice)

- Providing deposit accounts was not allowed.
- Independent issuance of consumer credit card was not permitted.
- Only limited financial services, such as lending, could be offered.

After the Merger

- Providing deposit accounts is now allowed.
- Independent issuance of consumer credit through multiple channels incl UPI/card is now allowed.
- A wide range of financial services, exclusively available to banks, can now be offered.

Comparison of the Number of Private Sector Banks in Japan and India



POINT

- **First instance of an Indian fintech and bank merger, excluding payment banks**
* Payment Banks have only limited banking functions. (See P27)
- The merger of a fintech with a bank was approved, **one of the exceptionally rare occurrences in the past several decades**. It is expected that **competitors will find it challenging to follow suit in the foreseeable future**.

*1: NORTH EAST SMALL FINANCE BANK LIMITED Annual Report 2023-24

*2: Total number of domestic banks, Shinkin banks (credit unions), credit cooperatives, and labor banks (Source: <https://www.fsa.go.jp/menkyo/menkyo/ginkou.pdf>, <https://www.nikken.co.jp/link/number.html>)

*3: Total number of private domestic banks (sum of Private Sector Banks and Small Finance Banks) (Source: https://m.fbi.org.in/scripts/bs_viewcontent.aspx?id=3657)

Strengthening Shareholder Returns

While continuing to expand the foundation for growth through proactive investments, **we are committed to strengthening shareholder returns**. With profits generated from the business side, we are now in a position to balance dividend payments and growth.

	Business Categories / Investment Amounts as of FY2025/5 Q2	Shareholder Return Policy as of FY2025/5
Business	Capital invested in existing businesses 2–2.5 billion yen	<p><Previous Assumptions> Priority was given to business growth, resulting in no dividends.</p> <p><Current Assumptions> With a higher likelihood of stable profit generation on a consolidated basis, we are considering initiating dividends at a level that balances growth with profits generated from business-side capital. Additionally, cash and deposits available for investment will be allocated to promising opportunities, such as M&A activities that ensure stable cash flow, to improve capital efficiency.</p>
	Cash and deposits available for investment 3.5–4 billion yen	
Investment	Investment capital Approximately 5.5 billion yen	<ul style="list-style-type: none"> • We continue to anticipate significant mid- to long-term valuation growth, especially in slice. • We remain committed to our policy of returning 20% of realized gains from asset sales to shareholders.

2

Financial Results for FY2025/5 Q2



FY2025/5 Consolidated Results for Q2

The consolidated operating profit for Q2 (June to November 2024) amounted to 366 million yen, achieving a **progress rate of 81.4%** against the initial forecast. In light of this strong progress, the full-year forecast has been revised upward.

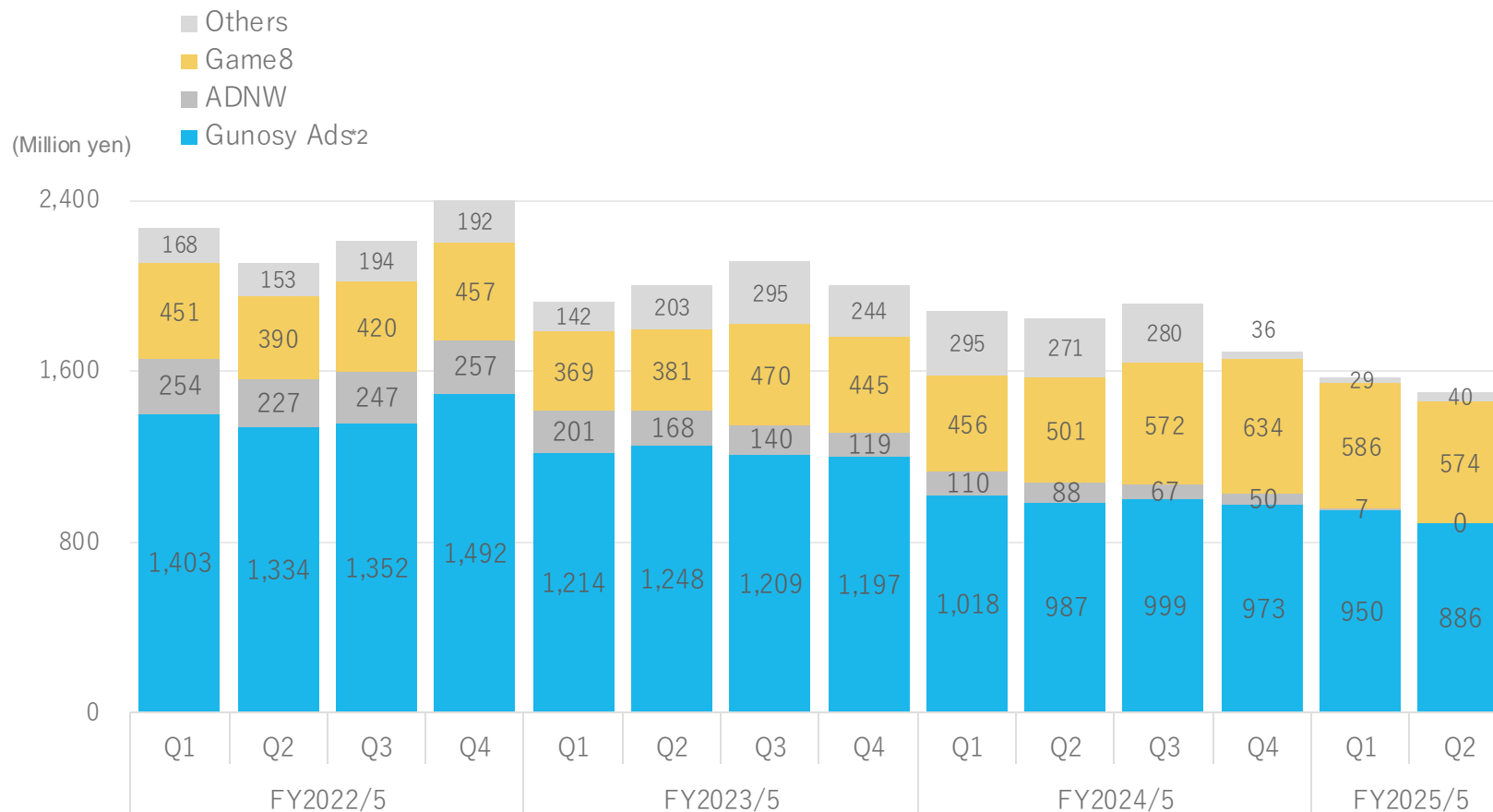
(See P5 for details)

(Million yen)

	FY2025/5 1Q-2Q (Jun – Nov 2024)	Initial forecast (full year)	progress rate
Net sales	3,075	6,300	48.8%
Operating profit	366	450	81.4%
Operating margin	11.9%	7.1%	-
Ordinary profit	89	202	44.4%
Profit attributable to owners of parent	-64	-110	-

Breakdown of Net Sales *1

Overall sales slightly decreased QoQ. While the media business experienced a QoQ decline, Game8 **continued to maintain a high level of sales, driving the overall performance.**

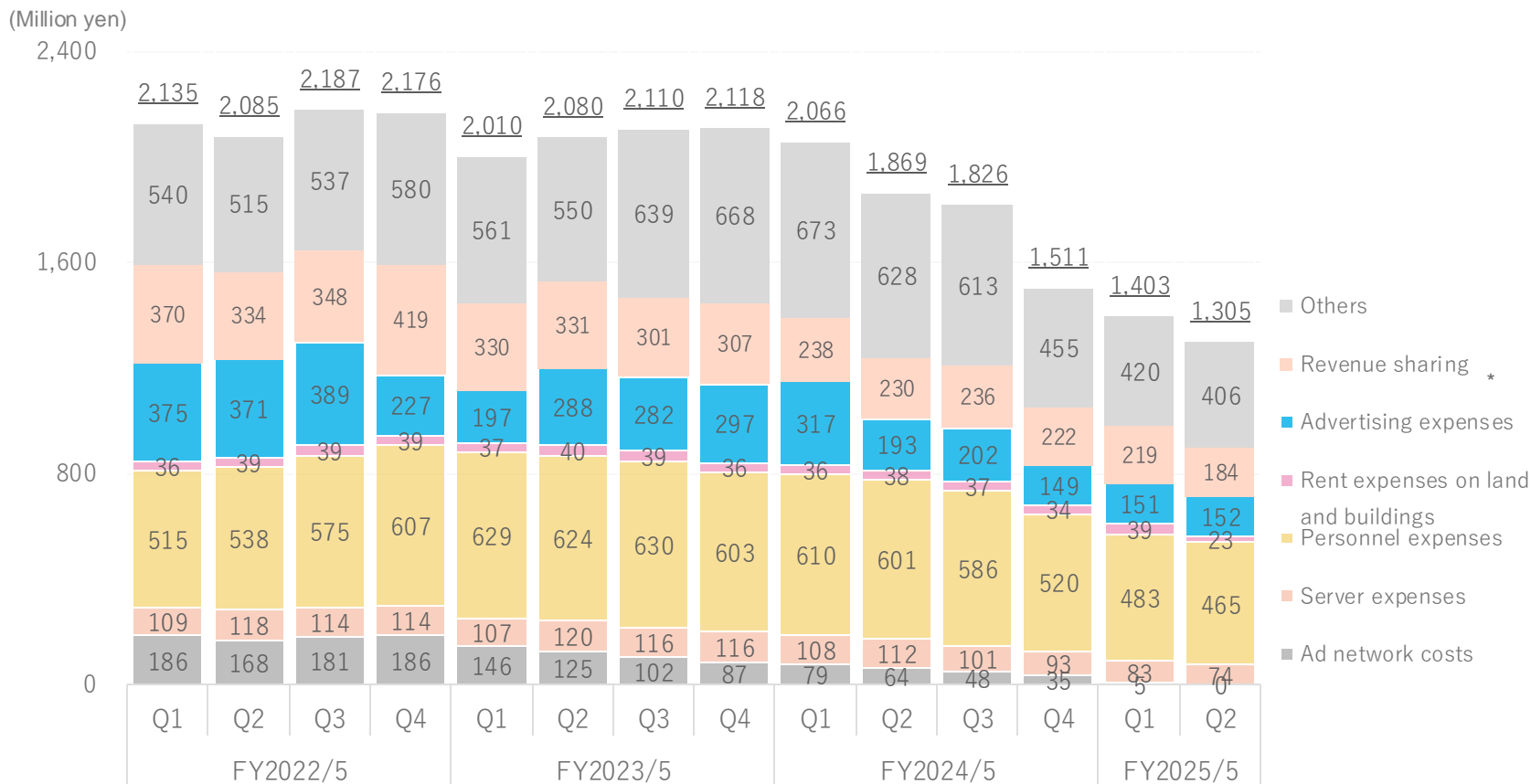


*1: Sales of Gunosy Ads, ADNW and Game8 are presented on a nonconsolidated basis. Internal trade adjustments are included in Others

*2: Sales of Gunosy Ads are the total of "Gunosy", "NewsPass", "au Service Today" and "LUCRA" (Service ended in February(C) 2023). Gunosy Inc. All Rights Reserved.

Cost Structure

We will continue our cost-control policy to achieve efficient business operations. Advertising expenses will be maintained QoQ as an investment in growth, while **further cost reduction on a consolidated basis will be pursued.**



* "Revenue sharing" included in "Others" in FY2021/5 and earlier, but separated from "Others" from FY2022/5 Q1. "Live video production expenses" is included in "Others" from FY2022/5 Q1.

3

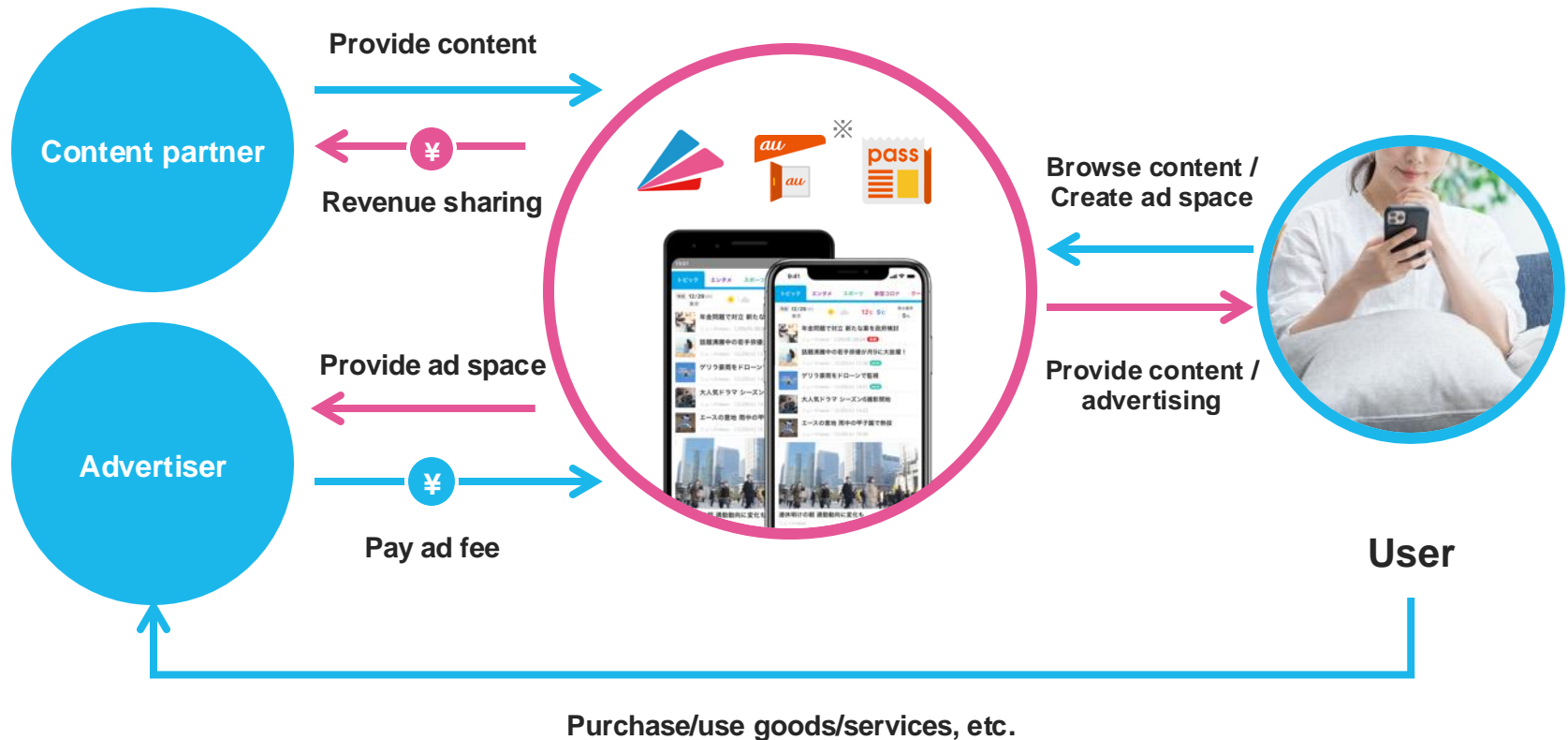
Business Overview by Division

Media Business

Game8 Business

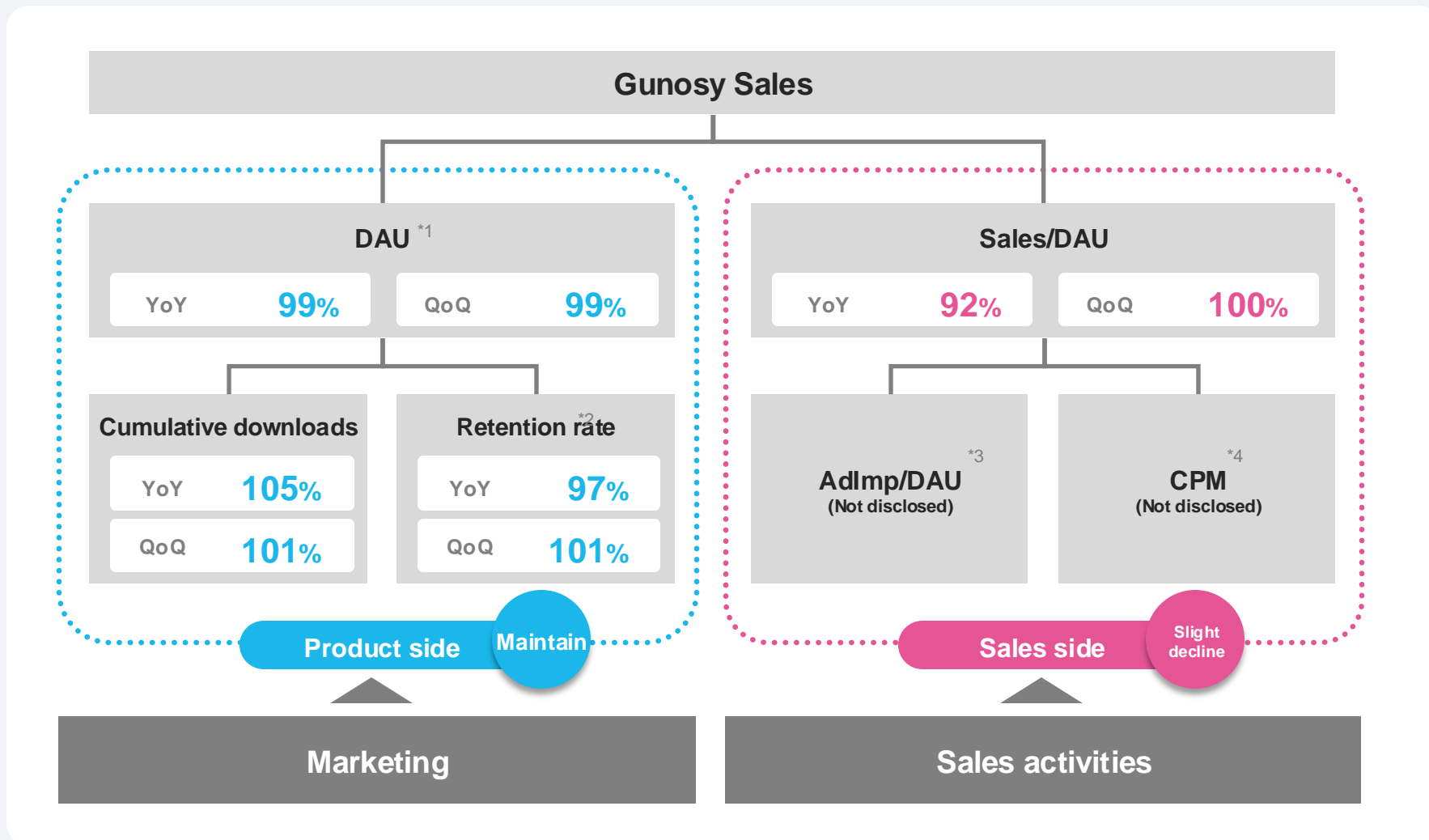
Investment
(slice)

We obtain content from external media (“content partners”) and offer the service to users free of charge. We provide advertising space to advertisers to serve ads to users, and we receive revenue from advertisers.



Since the advertising space in NewsPass and au Service Today is provided jointly with KDDI, part of the sales and costs are shared by both companies.

DAU (daily active users) remained stable at 99% both YoY and QoQ. Sales per DAU also maintained the same level QoQ, and **sales progressed largely in line with the initial plan for the period.**



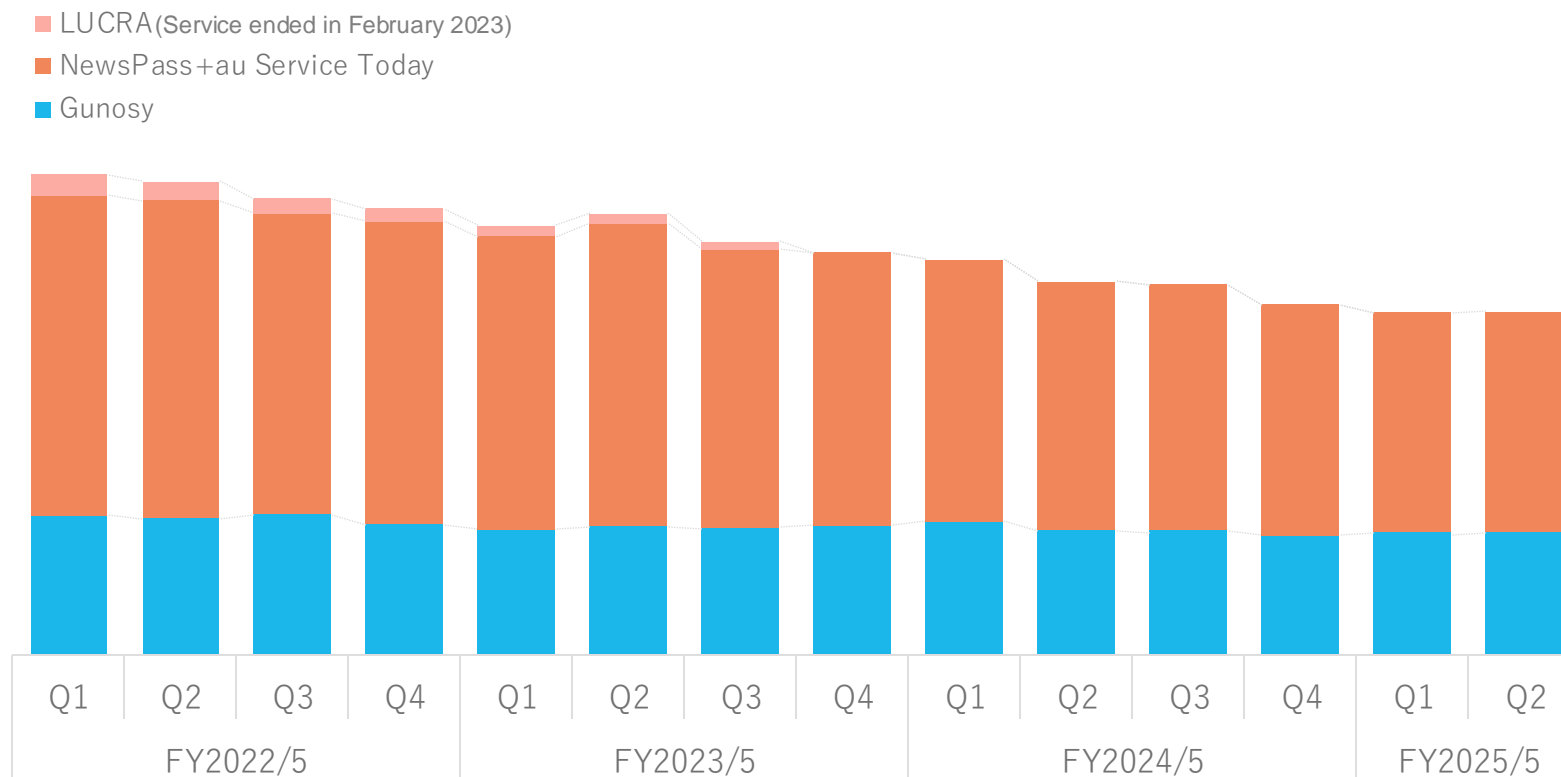
*1: Daily Active Users

*2: The app retention rate refers to the percentage of new users who activate the app after a certain period of time.

*3: Number of ads served per daily active user

*4: Cost Per Mille

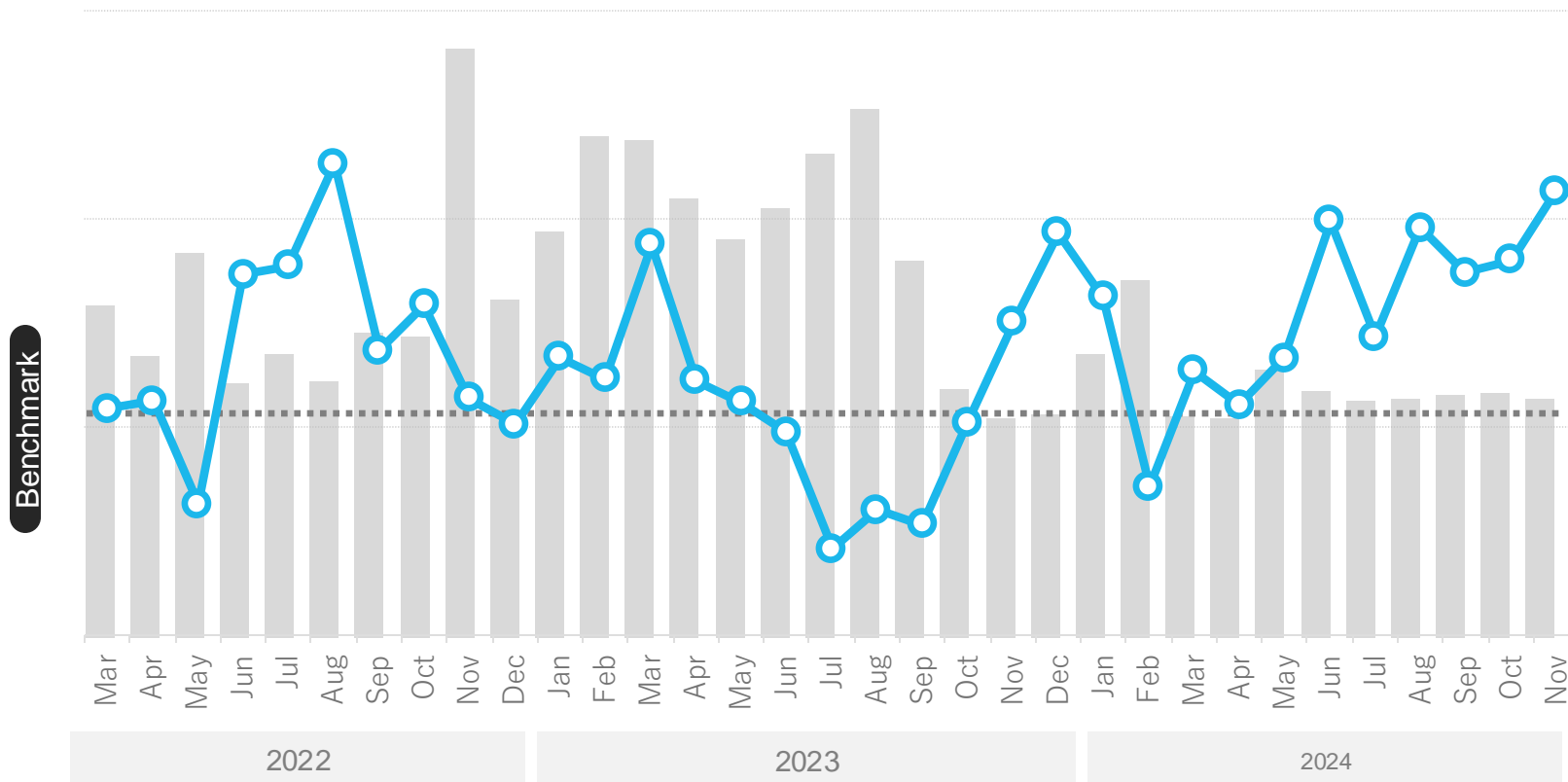
The total MAU (monthly active users) for the media business remained unchanged QoQ. While prioritizing profit maximization, **MAU was maintained by continuing to control advertising expenses.**



The estimated IRR for Q2 remained significantly above the benchmark level. This was driven by improvements in user retention rates and a reduction in CPI (cost per install) achieved through controlled advertising expenses. As a result, **the efficiency of new growth investments continued to remain at a high level.**

Estimated IRR and advertising expenses

- Advertising expenses (actual)
- Estimated IRR
- (Three-year IRR estimated from acquisition costs (CPI) and estimated marginal profit per user)



3

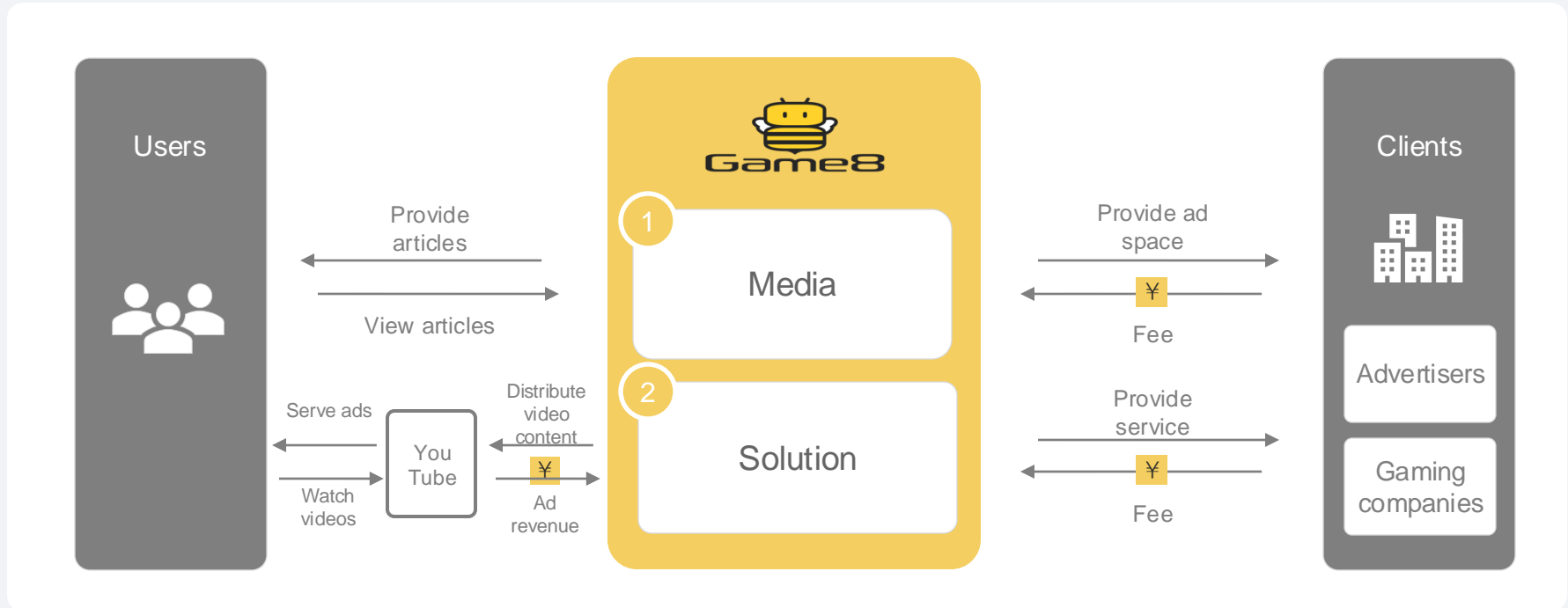
Business Overview by Division

Media Business

Game8 Business

Investment
(slice)

Gate8 Inc. develops its business around monetizing advertising revenue through game walkthrough media. The company provides a wide range of marketing solutions by employing diverse advertising strategies, including writing game walkthrough articles.



Business

1 Media

- Operates its own game walkthrough site
- Homepage takeover ads on a game walkthrough site

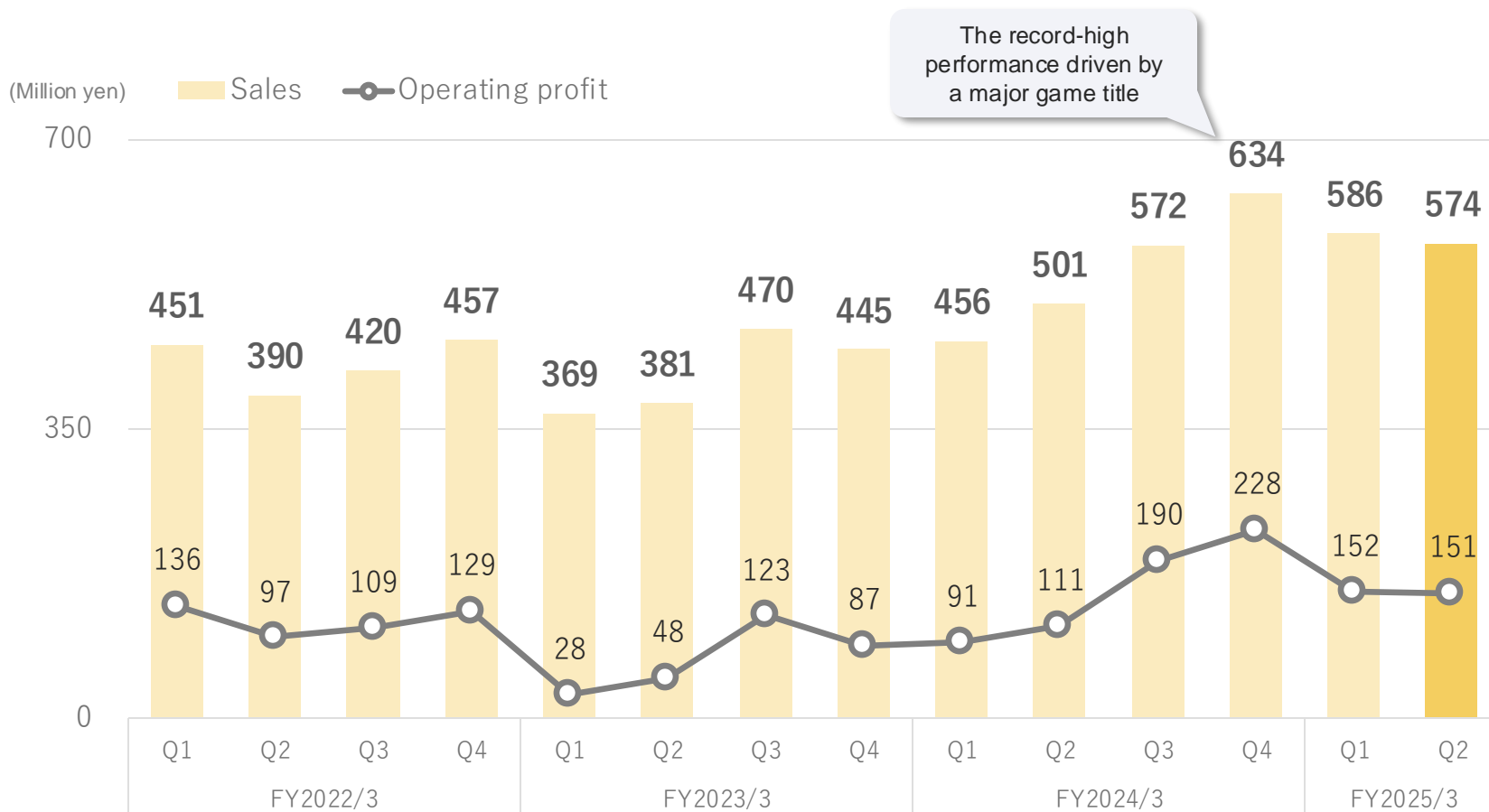
2 Solution

- Create articles on game walkthrough
- Provide advertising strategies for websites other than Game8.jp
- Operates the SNS operation on behalf of the client.

Strength

- Operates gaming media with the highest number of page views in Japan.
- Manages its own ad monetization team domestically to achieve stable and high eCPM.
- Develops sales activities in the gaming area with a focus on providing reliable solutions.

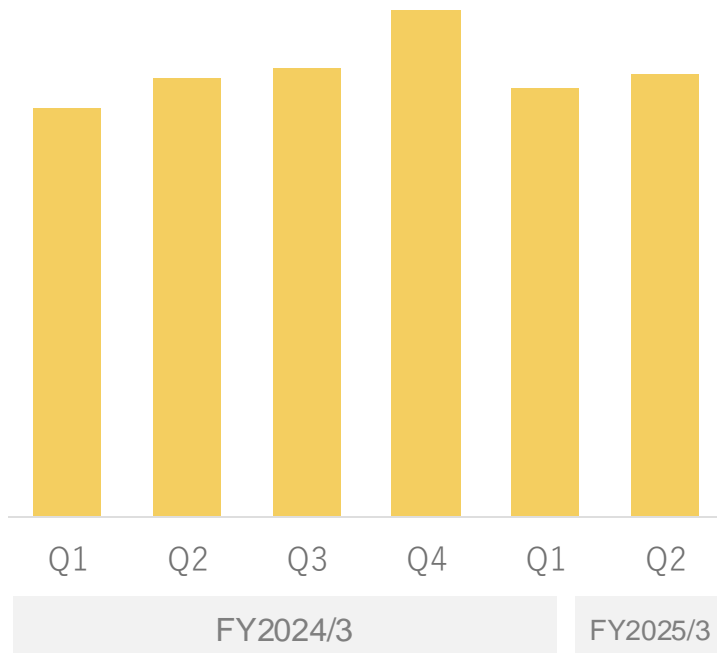
Game8 has **maintained double-digit YoY growth** in both sales and operating profit, **driving the overall performance of the Group**. Favorable trends are expected to continue beyond Q3.



Page views (PV) remained strong both domestically and internationally. Overseas media benefited from favorable exchange rate trends due to the weaker yen, **maintaining high profitability**.

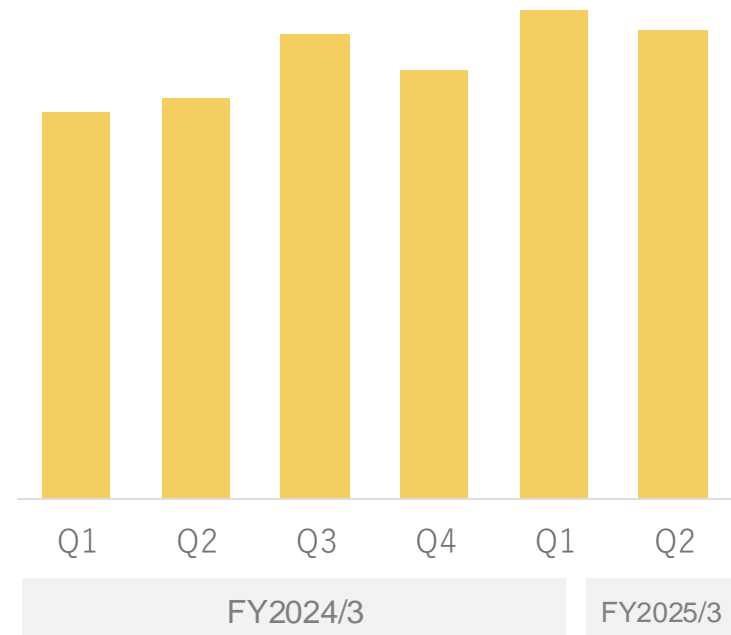
PVs

Despite some volatility depending on game title sales, page views remained strong.



RPM

Maintained high profitability supported by overseas media due to yen depreciation.



From October to December, Game8 achieved **the No. 1 position among domestic game media for the first time across three key metrics: traffic share, unique visitors, and sessions.**



Game8.jp

2024年10月~12月

国内ゲームメディア

トラフィックシェア&UU数&セッション数

No.1

※

※SimilarWeb調べ

The parent company's fiscal year is June–May, while the subsidiary's is April–March. Thus, October–December corresponds to Q3 for the subsidiary.

3

Business Overview by Division

Media Business

Game8 Business

**Investment
(slice)**

slice is a leading consumer payment service in India. It offers intuitive and simple digital payment solutions, gaining strong support from Millennials and Gen Z. The platform has over 18 million users.

slice

slice account

An interoperable account for all payment



Service overview

slice account

- Add money to your slice account and pay by card or UPI
- Get instant and valuable rewards on all transactions
- Pay bills, set up subscriptions and view details of your spending

slice borrow

- Complete the application process online and the loan will be processed
- No interest if repaid within one month
- Borrow up to 1 million rupees (approximately 1.8 million yen), repayable in 36 months
- Flexible repayment options. Repay early, which can help you save interest

With the merger with NESFB, slice has relinquished its existing NBFC (Non-Banking Financial Company) license and now operates under NESFB's banking license. **This marks the first instance of an Indian fintech company merging with a bank.**

Before merger

NBFC

(Non-Banking Financial Company)



NBFC

total **9,480**
companies^{*1}

Capable of engaging in lending operations.
However, accepting deposits and other banking services are not generally permitted.

After merger

SFB

(Small Finance Bank)



Private sector banks

total **32**^{*2}

Including 11 SFBs

Capable of providing comprehensive financial services, including lending, consumer credit through multiple channels, payment services, and deposit acceptance.

POINT

- **First instance of an Indian fintech to merge with bank**, excluding Payment Banks

^{*1}Payment Banks are only allowed to perform limited banking operations (e.g., lending and credit card issuance are prohibited, and there is a cap on deposit amounts per user).

- The merger of a fintech with a bank was approved, **one of the exceptionally rare occurrences in the past several decades. It is expected that competitors will find it challenging to follow suit in the foreseeable future.**

^{*1} : Number of registered non-banking financial companies (NBFC) in India as of financial year 2023, by category

出典 : (<https://www.statista.com/statistics/1243950/number-of-nbfcs-india/>)

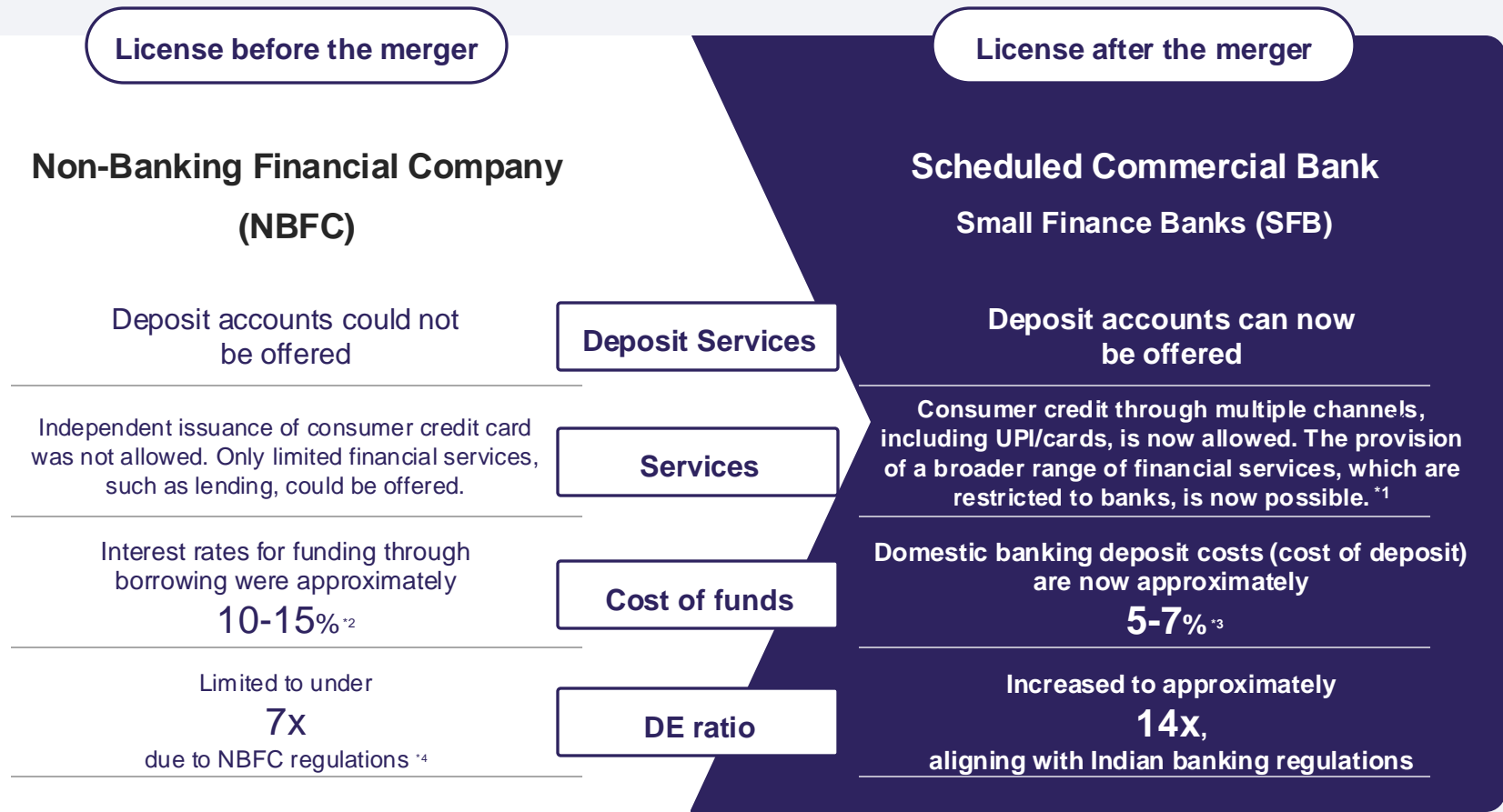
^{*3} : Operating Guidelines for Payments Banks RBI

出典 : (<https://www.rbi.org.in/commonman/Upload/English/Notification/PDFs/NT8012D3D3858D194184981CAF033321AA26.PDF>)

^{*2} : 民営の国内銀行数 (Private Sector Banks 及び Small Finance Banks の合計)

出典 : (https://m.rbi.org.in/scripts/bs_viewcontent.aspx?Id=3657)

The merger has enabled slice to offer a wide range of services, including **deposit accounts and consumer credit through multiple channels**, such as UPI/cards. Additionally, the merger is expected to lower borrowing costs and improve financial leverage, ultimately **enhancing capital profitability**.



*1: The scope of business generally permitted under regulations. In practice, individual approval from regulatory authorities may also be required to commence operations.

*2: Quoted from the credit rating document of slice NBFC Quadrillion Finance Private Limited prior to the merger. CARE Ratings Ltd. Quadrillion Finance Private Limited September 23, 2024. Annexure-1: Details of instruments/facilities, Nonconvertible Debentures, Coupon Rate (%) Source: https://www.careratings.com/upload/CompanyFiles/PR/202409130935_Quadrillion_Finance_Private_Limited.pdf
 CARE Ratings Ltd. Quadrillion Finance Private Limited November 29, 2023 Annexure-1: Details of instruments/facilities, Nonconvertible Debentures, Coupon Rate (%) https://www.careratings.com/upload/CompanyFiles/PR/202311131127_Quadrillion_Finance_Private_Limited.pdf

*3: Axis Bank Ltd Investor Presentation Quarterly Results Q2FY25 P7 Cost of Deposit Source: <https://www.axisbank.com/docs/default-source/investor-presentations/investor-presentation-q2fy25.pdf>
 AU Small Finance Bank Ltd Integrated Annual Report 2023-24 P313 Cost of Deposit Source: <https://objects.braze.ap-mumbai-1.credencloud.com/n/aubank2b/Marketing/o/Annual-Report-FY24-Updated.pdf>

*4: Master Direction – Reserve Bank of India (NBFC– Scale Based Regulation) Directions, 2023 Chapter IV Prudential Regulation 9.1 Leverage Ratio Source: [https://mfminidna.org/assets/upload_image/pdf/Master%20Director%20\(Scale%20Based%20Regulation\)%20October%2019,%202023.PDF](https://mfminidna.org/assets/upload_image/pdf/Master%20Director%20(Scale%20Based%20Regulation)%20October%2019,%202023.PDF)

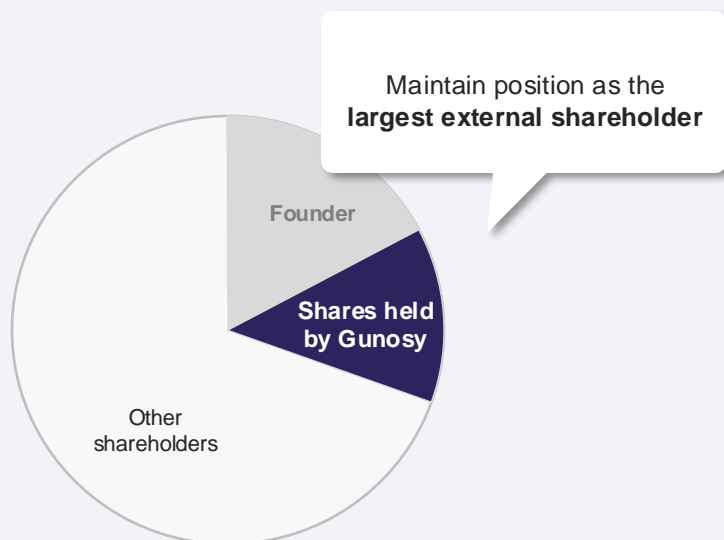
*5: Based on the financial statements of private sector banks available as of December 2024, this represents the highest debt-to-equity ratio identified in our research.



The dilution of shares resulting from the merger is limited.

As the **largest external shareholder**, we maintain a strong relationship with slice.

Shares Held by Gunosy



Current Status of the Relationship with slice

- With the shift to the banking industry, we decided to discontinue dispatching directors to **establish a management system that balances proper governance with growth**, resulting in the exclusion of slice from the scope of equity method application.
- As the **largest external shareholder**, we maintain a **strong relationship** and continue appropriate monitoring.
- Furthermore, **our Chief Investment Officer, Yuki Maniwa, will continue to oversee asset management.**

We remain the largest external shareholder, maintaining a strong relationship.

Leveraging its existing brand, which enjoys strong support among younger generations, combined with the technology it has developed to date, slice is expected to **establish a strong position in India's banking sector at an early stage**, despite being a late entrant.

Overview of Indian Private Sector Banks

AU Small Finance Bank



AU Small Finance Bank was established in 1996 as AU Financiers. Headquartered in Jaipur, the bank offers a wide range of financial products, including savings accounts, fixed deposits, loans (such as business and personal loans), and debit cards. In April 2023, it acquired Fincare Small Finance Bank.

Market capitalization

Approx. **0.8** trillion yen

Ranking first among Small Finance Banks (SFB) in terms of market capitalization.

HDFC Bank



HDFC Bank began operations as a commercial bank in 1995. Headquartered in Mumbai, it serves over 93 million customers. Recognized as India's largest private-sector bank, it offers a comprehensive range of financial services.

Market capitalization

Approx. **25.8** trillion yen

Ranking first among Private Sector Bank in terms of market capitalization.



Remarks

Executive Officer/CIO at
Gunosy Inc.

**Yuki
Maniwa**

Although I will step down from my position as a director to align with changes in the management structure following the transition to banking operations, I will continue to maintain a close relationship and communication with slice's management team. Moving forward, the aim is to hold a banking license and establish a unique and efficient operational structure under regulatory compliance, leveraging advanced technology. This is expected to deliver high-value user experiences and **secure an unparalleled market positioning within India.**

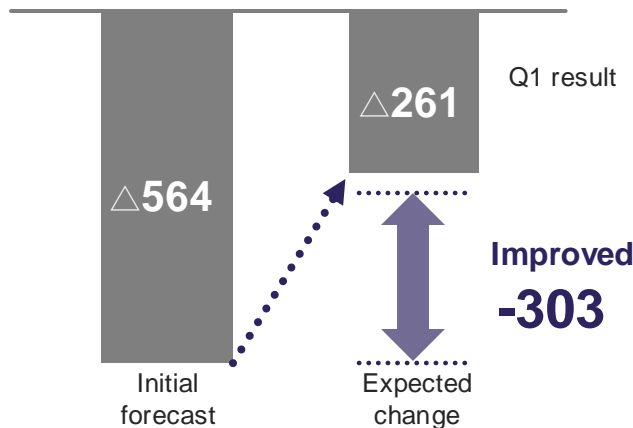
*Based on press articles and other information publicly available.

*Market capitalization was calculated as an approximate value by converting the INR-denominated market capitalization as of mid-December at an exchange rate of INR/JPY = 1.8.

Since the recognition of equity method investment losses will cease from Q2 onwards, profit is expected to **improve by 303 million yen compared to the initial forecast**. There will be no direct impact on profit and loss due to the exclusion from the equity method. In Q2, investment securities and net assets are expected to increase by 786 million yen.

Impact on full-year forecast

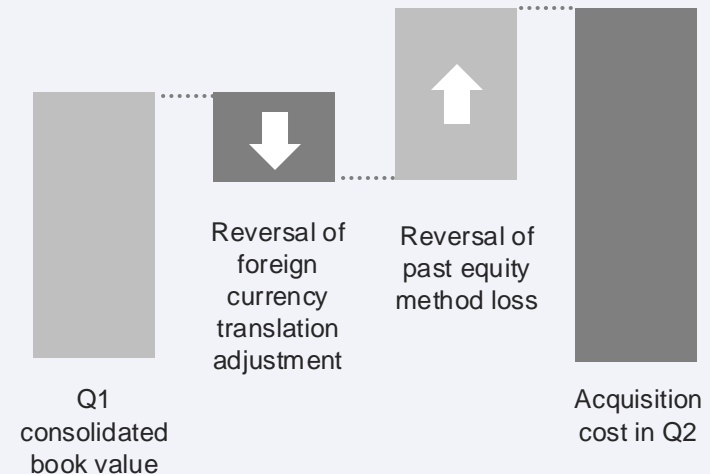
Profit improvement from reduced equity method loss (Million yen)



As a result of the 303 million yen improvement in equity method loss compared to the initial forecast, ordinary profit is expected to turn positive for the full year.

→ For more details on the FY forecast, see page 5.

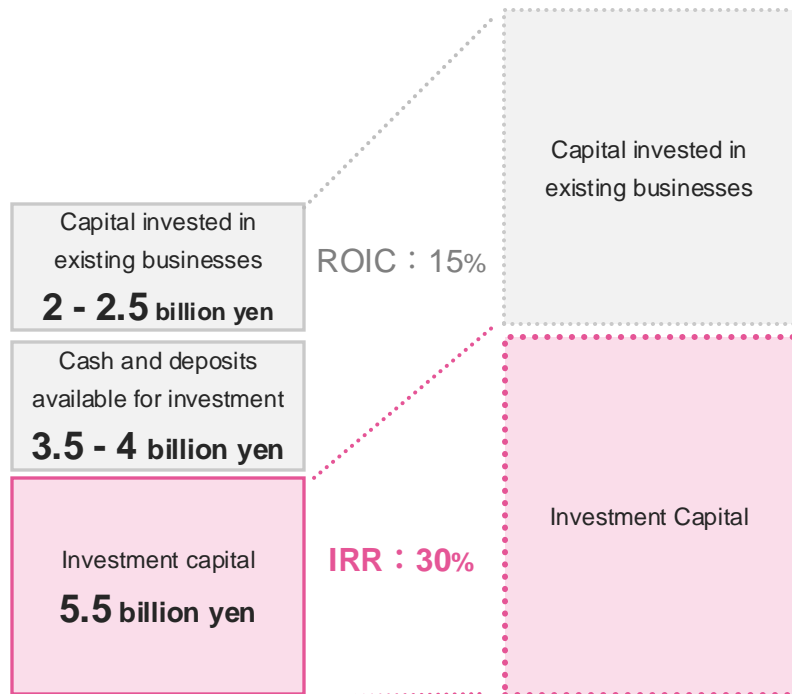
Accounting treatment on the B/S



An accounting adjustment is planned to revert past equity method losses to acquisition cost through retained earnings.

We remain focused on enhancing slice's corporate value as a key project within our investment division. Through **the appreciation of our equity stake**, we aim to contribute to the maximization of corporate value over the medium to long term.

Contribution image to our balance sheet (BS)



As of FY2025/5 Q2

Mid- to long-term B/S image

Our holding Policy

- slice continues to **hold a prominent position as a key project in our investment division.**
- It is considered a crucial pillar in achieving a market capitalization of 100 billion yen.
- While aiming for an IPO in 4–5 years, **we plan to hold shares with a long-term perspective.**
- Upon a future sale of shares, we intend to **allocate approximately 20% of the sale profit to shareholder returns.**

4

Mid-Term Financial Goals



As of FY2027/5

Business

Operating
profit/EBITDA
900 million yen

ROIC*
(on existing business capital)
15% and over

Investment

IRR
30%

* Cash and deposits available for investment are comprehensively evaluated according to the intended use of the funds, using metrics such as EBITDA after tax/invested capital.

Medium-Term Financial Goals: Capital Allocation Policy

In line with our medium-term financial goals, we remain focused on controlling appropriate capital investment allocation. We will continue to actively consider **capital investment in M&A and existing businesses**.

Medium-term financial goals (released at the end of FY2024/5)

	Evaluation indicator	Category/amount
FY2025/5 Beginning B/S (*1) (Net of Current Liabilities) 10 billion yen	Business	Capital invested in existing businesses 2 - 2.5 billion yen
		Cash and deposits available for investment 2.5 - 3 billion yen
	ROIC Target: 15%+	
	Investment	Investment capital Approx. 5 billion yen ^{*3}
	IRR Target: 30%	

FY2025/5 Q2 Highlights

FY2025/5 Q2: Capital invested in existing businesses

Currently aiming to improve capital efficiency to around **ROIC 20%**. *2

FY2025/5 Q2: Cash and deposits available for investment

In the business segment, profits will be generated, and in the investment segment, exits of certain assets will be executed, increasing cash and deposits available for investment to **3.5 to 4 billion yen** by the end of FY2025/5 Q2.

FY2025/5 Q2: Cash and deposits available for investment

By **prioritizing M&A activities** that generate stable cash flow, funds will be allocated to promising investment opportunities, aiming to enhance capital efficiency.

*1 Current liabilities have been deducted from current assets to be consistent with the working capital concept. Capital invested in existing businesses was estimated by adding the fixed assets and cash and deposits of the business to the respective working capital.

*2 ROIC: Calculated by dividing the estimated after-tax operating profit, which is obtained by multiplying the expected operating profit of 680 million yen for FY2025 by (1 - effective tax rate of 30.62%), by the investment capital of existing businesses (2 to 2.5 billion yen).

*3 Includes the balance of investment securities on the consolidated B/S, in addition to cash and deposits required to pay limited partner commitments and the cash and deposits required to operate the investment business.

5

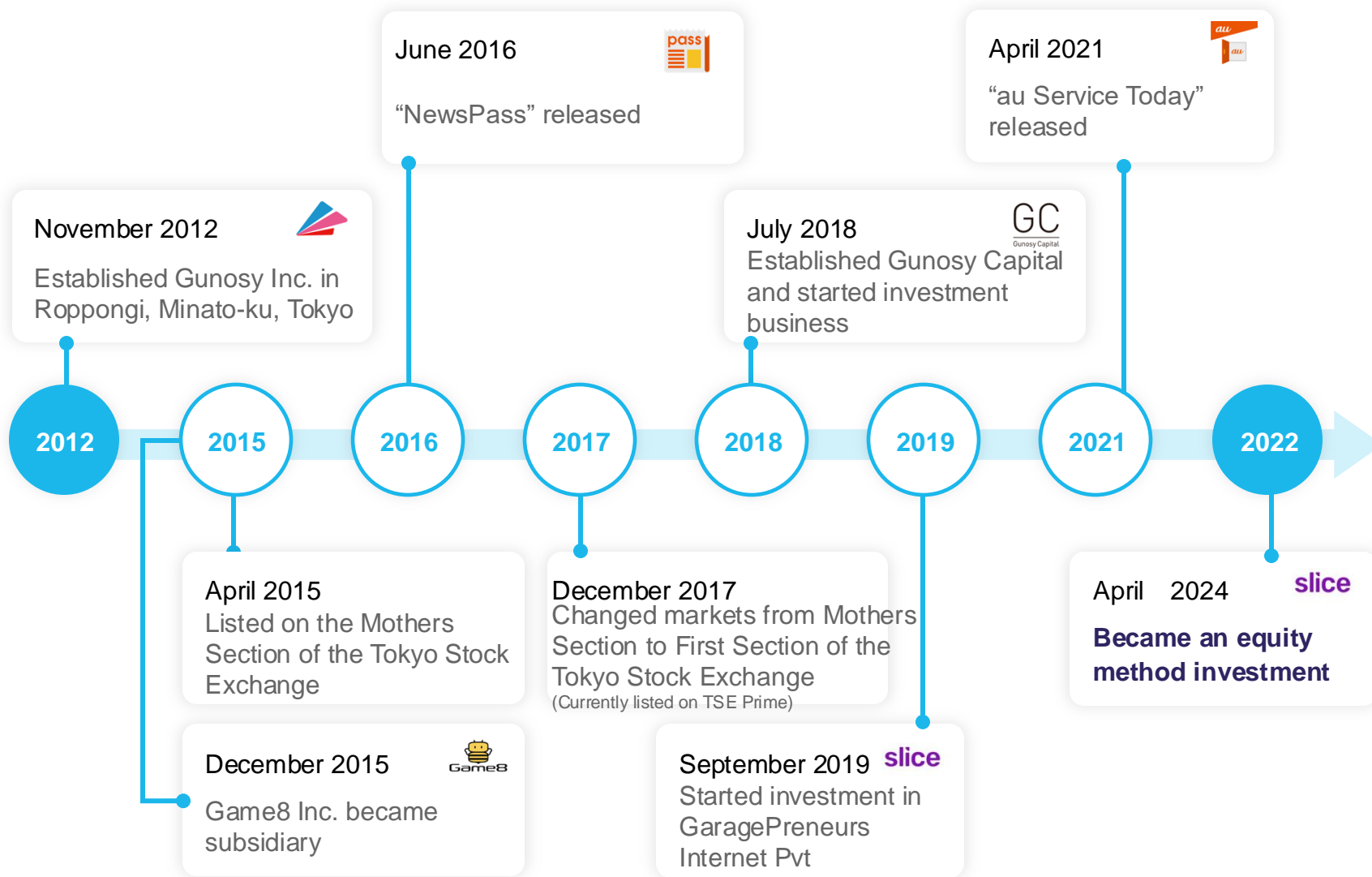
Reference Material

Company Profile



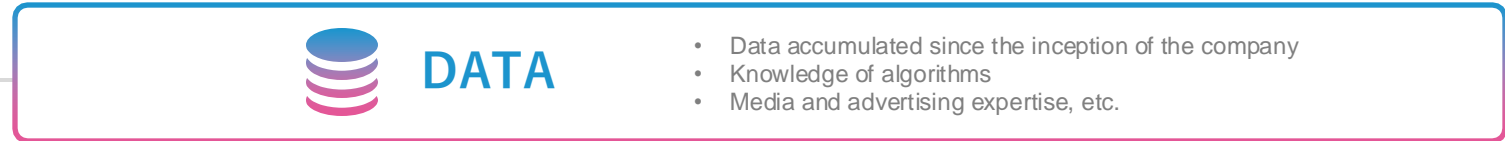


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Optimally deliver
information to people
around the world



Gunosy

Medium- to long-term growth driven by three businesses



Increase corporate value through growth of existing businesses and development of new businesses

Aim for group-wide growth with a **market capitalization of 100 billion yen** as a medium- to long-term target



New Management Team

The management structure for FY2023/5 is as follows.



Representative Director and
Chairman, Group Chief Executive
Officer (CEO)

**Shinji
Kimura**



Representative
Director and
President

**Kentaro
Nishio**



Director and Chief
Operating Officer (COO)

**Shunsuke
Sawamura**



Director and Chief
Financial Officer (CFO)

**Tatsuyuki
Iwase**



Director

**Masaaki
Nose**



Director (Outside)

**Suguru
Tomizuka**



Director (Outside)

**Junichi
Shiroshita**



Director (Outside)

**Akihito
Moriya**



Director (Outside)

Hitomi Iba

Basic Information

Company name: Gunosy Inc.

Representative: Shinji Kimura
Kentaro Nishio

Established: November 14, 2012

Fiscal year end: May

Capital: 4,099 million yen (as of the end of November 2024)

Stock Code: 6047 (TSE Prime)

Audit corporation: Ernst & Young ShinNihon LLC

Number of employees: 191
(as of the end of November 2024, on a consolidated basis)

Head office: 2-24-12 Shibuya, Shibuya-ku, Tokyo

Business: Development and operation of information curation service and other media

Officers: Representative Director and Chairman,
Group Chief Executive Officer (CEO),
Shinji Kimura

Representative Director and President,
Kentaro Nishio

Director and Chief Operating Officer (COO),
Shunsuke Sawamura

Director and Chief Financial Officer (CFO),
Tatsuyuki Iwase

Director, Masaaki Nose

Director (Outside), Suguru Tomizuka

Director (Outside), Junichi Shiroshita

Director (Outside), Akihito Moriya

Director (Outside), Hitomi Iba

Corporate Auditor, Masakazu Ishibashi

Corporate Auditor (Outside), Kenji Shimizu

Corporate Auditor (Outside), Kengo Wada

The concept of "Gunosy Way", which had been defined as a milestone for Gunosy to follow, was **redesigned as "Gunosy Pride"**, which inherits the original thoughts and concepts.

Gunosy

1 “Triple win” philosophy

Benefit the customer, the user, and the world. Benefit yourself, others, and your fellow employees. We will continue to create a cycle of goodness not only outside the company and society, but within our company as well.

2 Creating opportunities with science

We will use data and technology to accelerate innovation with facts. We will also use science to solve social issues.

3 Centennial quality

We do not stop working until we feel that this is the best we can do, rather than thinking that this is good enough. We will face the work in front of us with sincerity and honesty, seeking quality that will endure for a hundred years.

4 Respond to adversity in a positive way

There are as many adversities as there are challenges. However, we believe that it is the adversity that brings us the opportunity for growth. We will not run away from the obstacles in front of us, but rather we will aggressively pursue our business in adversity.

1

Provide information in a way that is socially beneficial as a media outlet (eliminate echo chambers and filter bubbles, provide a quality game walkthrough wiki, etc.)

2

Ad review initiatives to provide a safe advertising experience

3

Encourage diverse work styles that combine in-office and remote work options

4

Develop human resources with digital transformation expertise by promoting digital transformation within the company

5

Strengthen appropriate governance through the work of the Nomination and Compensation Committee and evaluation of the effectiveness of the Board of Directors

6

Reference Material

slice



"slice" was founded in 2015. Since 2019, we have invested a cumulative total of more than 3 billion yen in slice. **In October 2024, the merger process with NEFSB was completed.**

- **2015** Jun GaragePreneurs Internet Pvt Ltd., which operates "slice" established
- **2019** Sep Initial investment
- **2020** Jun Second investment
- **2021** Jun Third investment
- **2022** Feb Fourth investment
- **2022** Apr **Became an equity method investee of Gunosy**
- **2022** Sep Digital Lending Guidelines issued by RBI
- **2022** Dec New products released in compliance with Digital Lending Guidelines *1 (December 1-)
- **2023** Sep **No objection certificate from RBI obtained for merger with NESFB**
- **2024** Oct Excluded from the equity method scope following the **completion of the merger with NESFB**

*1: For more information on regulations governing personal credit, see

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/GUIDELINESDIGITALLENDINGD5C35A71D8124A0E92AFB940A7D25BB3.PDF>

About slice

Transforming the financial experience for billions of Indians



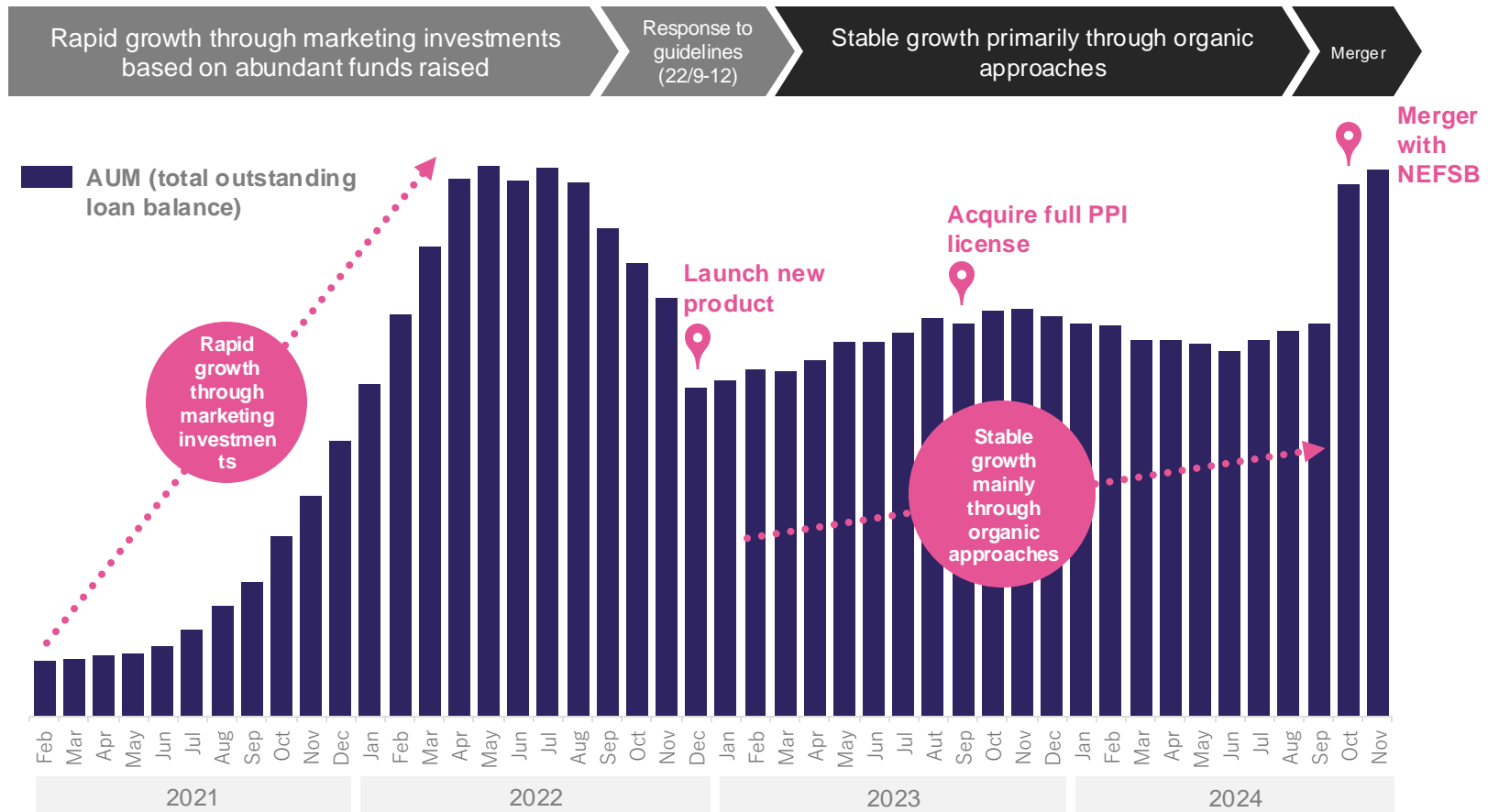
Executive Director of NESFB
&
Founder of slice

Rajan Bajaj

Before founding slice, Rajan launched Mesh, a furniture startup that allowed customers to rent items for a small monthly fee and buy them whenever they wished. Later, he joined the product team at Flipkart, the Indian e-commerce giant now owned by Walmart, where he helped launch the Marketplace, the company's fastest-growing major business at the time. Through these experiences, Rajan came to understand the importance of credit cards as a financial tool, which led him to found "slice" to help highly motivated young people like himself.

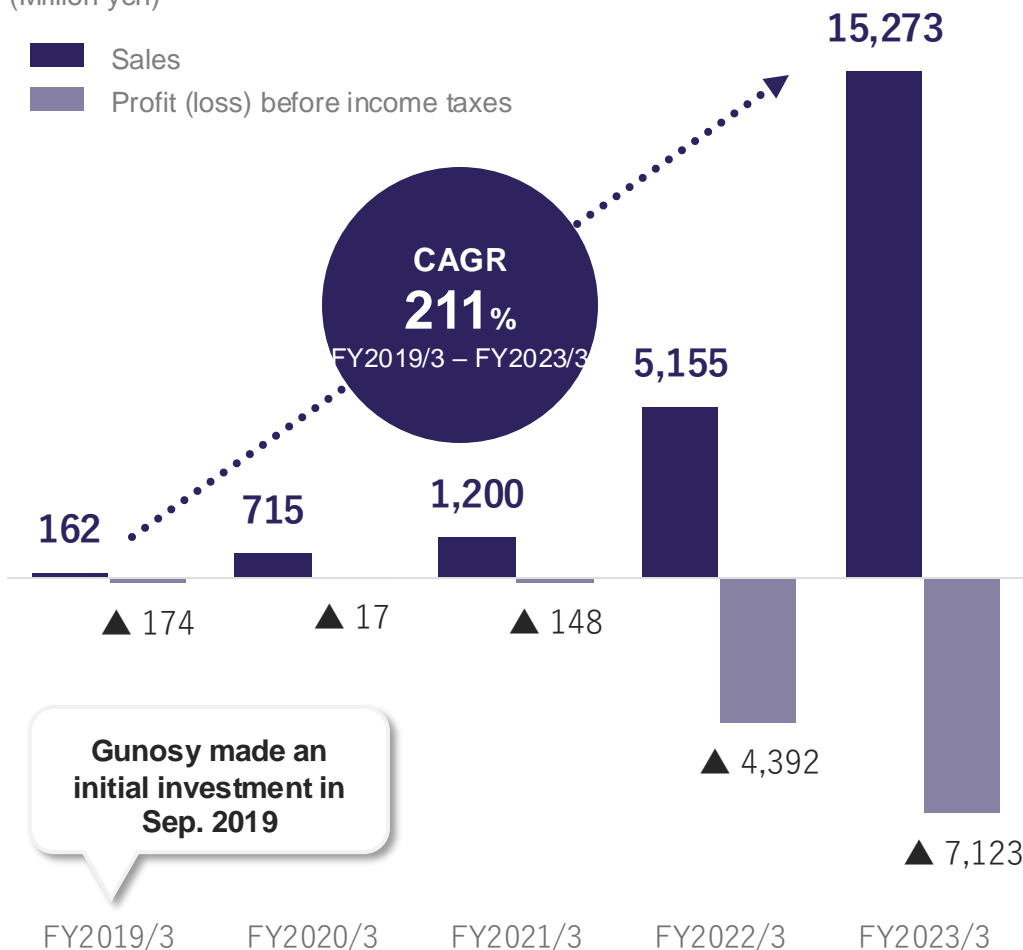
An alumnus of IIT Kharagpur, Rajan was named to the Forbes Asia 30 under 30 list for 2021 and the Forbes India 30 under 30 list for 2022.

Following the completion of the new product release in December 2022, focus was placed on organic customer acquisition while appropriately controlling the burn rate in preparation for the merger. **In October 2024, AUM increased through the merger with NEFSB.**



(Million yen)

■ Sales
■ Profit (loss) before income taxes



FY2023/3 highlights

Sales

15,273 million yen
YoY **296%**

Profit (loss) before income taxes

-7,123 million yen
YoY **— %**

CAGR (FY2019/3 – FY2023/3)

211%

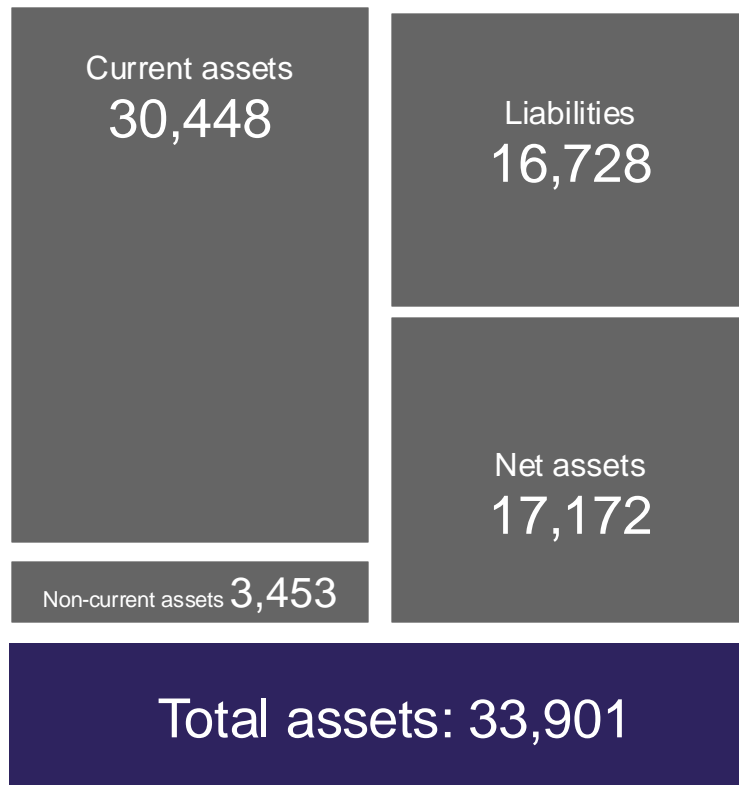
For simplicity, exchange rates as of November 30, 2023 are applied across the board.
Source : <https://www.mca.gov.in/mcafoportal/getCertifiedCopies.do> <https://www.sliceit.com/corporate-governance/>

Total assets as of March 31, 2023 were 33.9 billion yen.

The company is in sound financial condition, with an equity ratio of more than 50%.

As of March 31, 2023

(Million yen)



Total assets: 33.9 billion yen

Equity ratio: Over 50%