



Materials for the Briefing Session on the Financial Results for the Three Months Ended September 30, 2024

Solvvy Inc.

(The Tokyo Stock Exchange Growth Market : 7320)

November 12, 2024

1 Completion of the Business Integration with Media Seek Inc. P.3

Pursuant to the share exchange agreement and business integration agreement signed on August 9, 2024, Japan Living Warranty Inc. completed its business integration with Media Seek (making it a wholly-owned subsidiary) and began operations as Solvvy Inc.

2 Net sales were up by over 130% YoY, starting off strong towards achieving our new Medium-Term Plan targets P.8

Performance for the HomeworthTech business and the ExtendTech business, our main businesses, has been robust, with significant increases in sales.

We have made a smooth start towards achieving the goals set in the Medium-Term Plan announced in August 2024.

3 Operating profit increased significantly, growing by over 150% YoY P.10

Despite recording various expenses related to the business integration, we were able to offset these expenses by making further progress in improving operational efficiency through DX, and as a result, we successfully curbed SG&A expenses compared to the initial plan.

01

Business Integration and Change of Trade Name

Explanation of the business integration with Media Seek Inc. and the change of the trade name to Solvvy Inc.

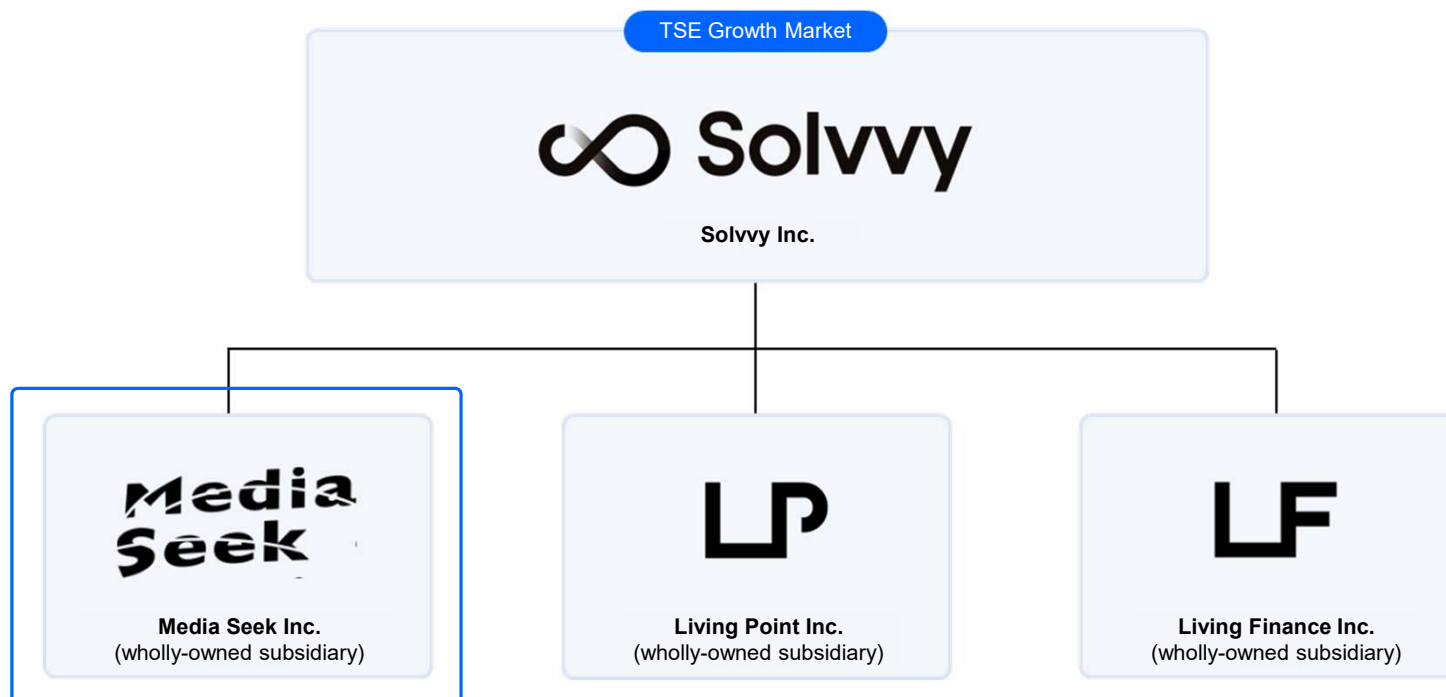
- 1** About the business integration and change of trade name
- 2 Financial results for Q1 FY2025
- 3 About Solvvy Inc.

Completion of the Business Integration with Media Seek Inc.

Solvvy

On November 1, 2024, Living Warranty Inc. completed its business integration with Media Seek Inc.
(making it a wholly-owned subsidiary through an exchange of shares) and changed its trade name.

As described in “Japan Living Warranty Inc. and Media Seek Inc. to sign share exchange agreement and business integration agreement” published on August 9, 2024, Media Seek became a wholly owned subsidiary of Japan Living Warranty through a share exchange effective November 1, 2024. In addition, Japan Living Warranty changed its trade name to Solvvy Inc. on the same date.





Providing answers the world has never seen before, together.

Society is evolving and becoming increasingly complex.
New solutions are required in the business world as well.

We want to respond to every challenge with creative ideas.
At Solvvy, we work closely with our partners to solve problems together.

For example, when creating stock-type businesses,
we improve business sustainability by providing comprehensive support
from structuring to monetization.

Beyond being a solutions provider, we look forward to a society that thinks
and solves problems together.

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Business integration synergies expected to double net sales

[HWT Business]

We expect a significant increase in the number of building warranty acquisitions thanks to more comprehensive solution-providing capabilities accompanying the expansion of our service lineup. In addition, the contribution to P/L of unearned revenue related to equipment warranties will increase

[EXT Business]

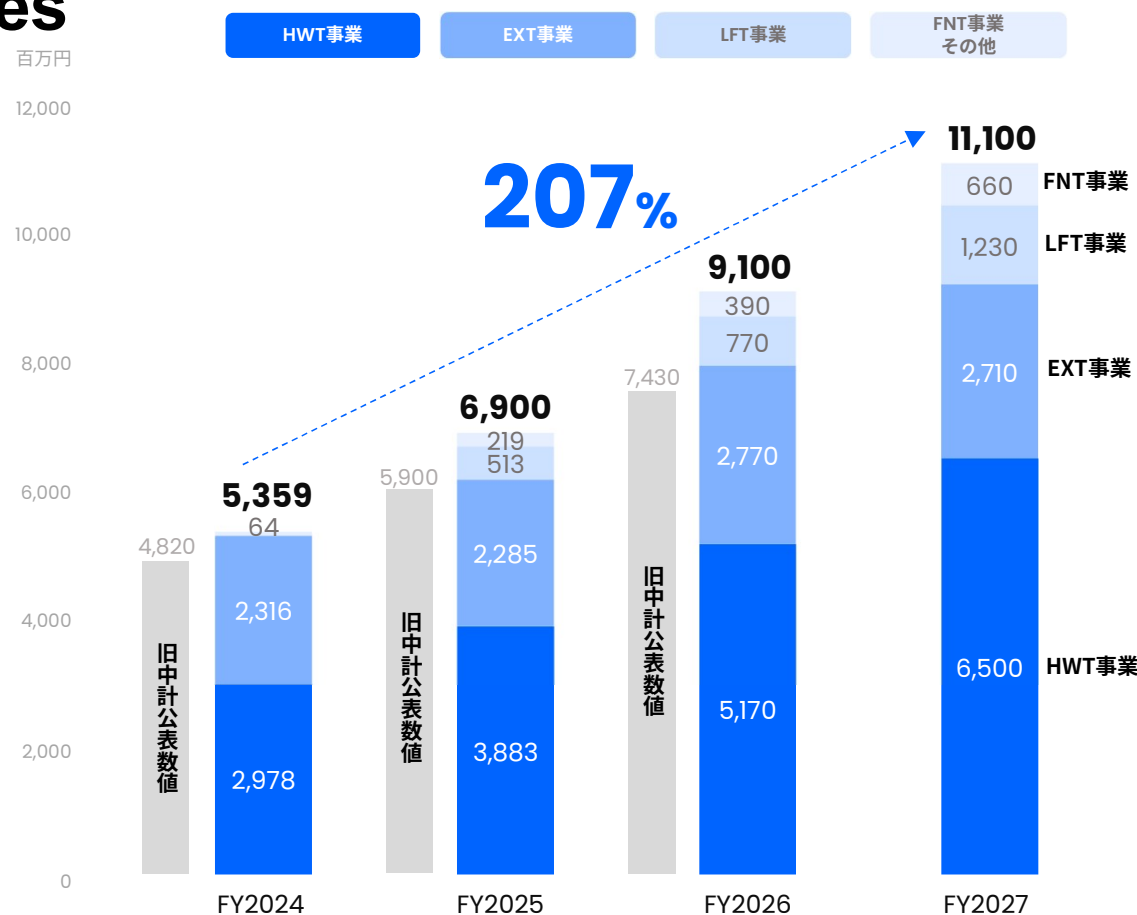
Although the FY2025 plan is conservative due to the revision of the recording policy for net sales (change in the ratio for installment recording) and the fact that some sales originally planned for FY2025 were recorded in advance in 4Q FY2024, we expect to see significant progress over the three-year medium-term plan period thanks to continued strong progress in renewable energy-related equipment warranties and the timing of the replacement of educational ICT devices based on the GIGA School Program.

[LFT Business]

Significant progress is expected in systems consulting and SaaS sales, thanks to increased system development resources resulting from the business integration. In addition, we anticipate full-fledged development of LFT into a 3rd business by expanding the SAaaS method to new areas.

[FNT Business]

With the launch of renovation loans through KROX, contribution to net sales is expected from this fiscal year. We aim to establish FNT as a new business and expand it across various business areas.



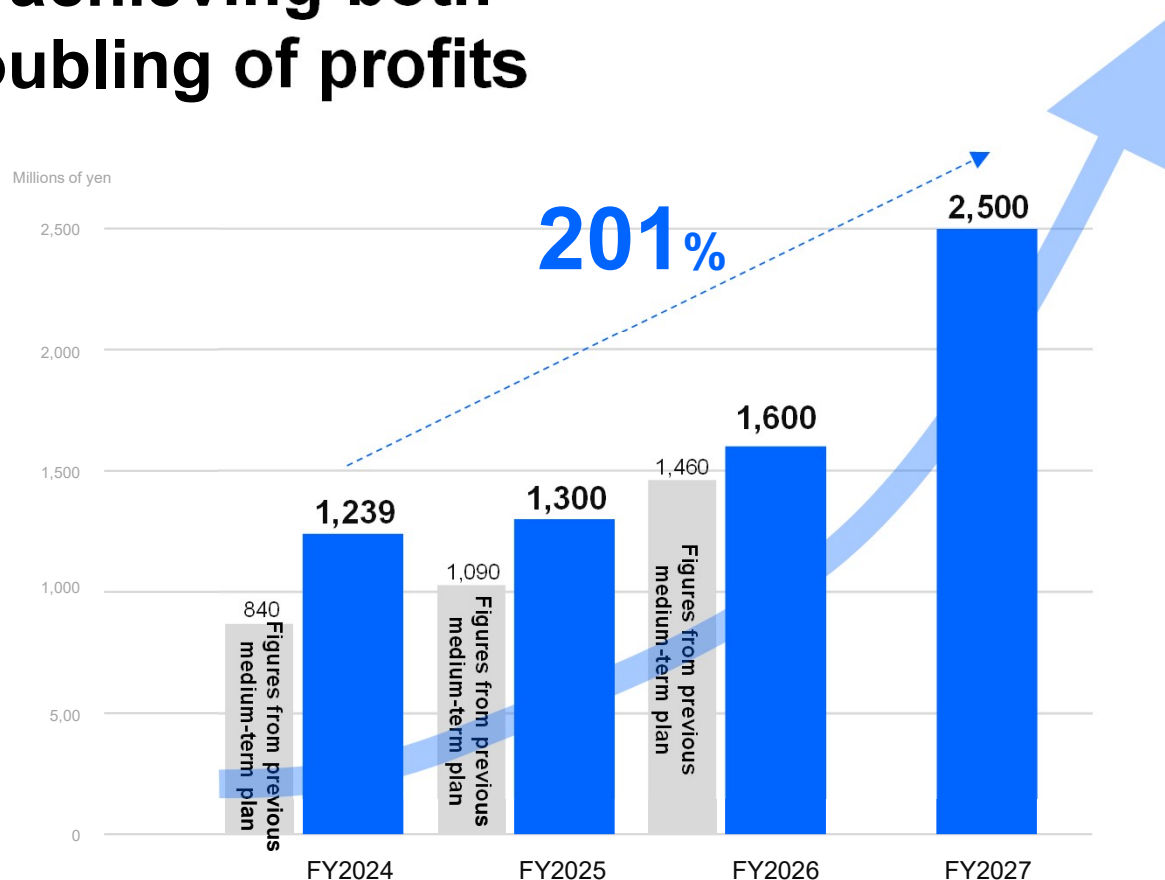
Investment in human resources with a medium- to long-term view, achieving both continued increases and doubling of profits

We will use our transformation from a warranty company into a stock-type business consulting firm as an opportunity to focus on recruiting highly qualified human resources with a view to medium- to long-term growth.

In FY2025-2026 in particular, we will focus on expanding the organizational infrastructure necessary to carry out our medium-term plan, including hiring consultants, planning and promotion personnel, organizational management personnel, specialists, and system engineers.

In addition, while system development costs have been subject to depreciation due to the use of outside vendors, labor costs for engineers will be recorded as costs due to the business integration and in-house handling, which is expected to temporarily squeeze profits.

However, we are forecasting record-high operating profit in FY2025, and plan to double FY2024 profit during the medium-term plan period to 2.5 billion yen.



Financial Results for the First Quarter of the Fiscal Year Ending June 30, 2025

Explanation of Financial Results for the First Quarter of the Fiscal Year Ending June 30, 2025

- 1 About the business integration and change of trade name
- 2 Financial results for Q1 FY2025**
- 3 About Solvvy Inc.

Summary of FY2025 Q1 Consolidated Financial Results

Solvvy

With significant increases in both net sales and profit, we are off to a strong start toward achieving the Medium-Term Plan targets.

Net sales, mainly from building warranties, are proceeding in line with the plan, and are on track to achieving both the fiscal year plan and the Medium-Term Plan. As for profit, although various expenses related to the business integration were recorded as SG&A expenses, we were able to offset these expenses by making progress in improving business efficiency through DX, and profits exceeded the initial plan.

Millions of yen	FY2024.6 Q1 Results	FY2025.6 Q1 Results	YoY	1H Plan	Progress to 1H Plan
Net sales	1,108	1,473	133.0%	3,179	46.4%
Operating profit	261	395	151.1%	558	70.8%
Ordinary profit	321	480	149.4%	729	65.9%
Net income for the quarter attributable to parent company shareholders	219	326	149.1%	535	61.1%

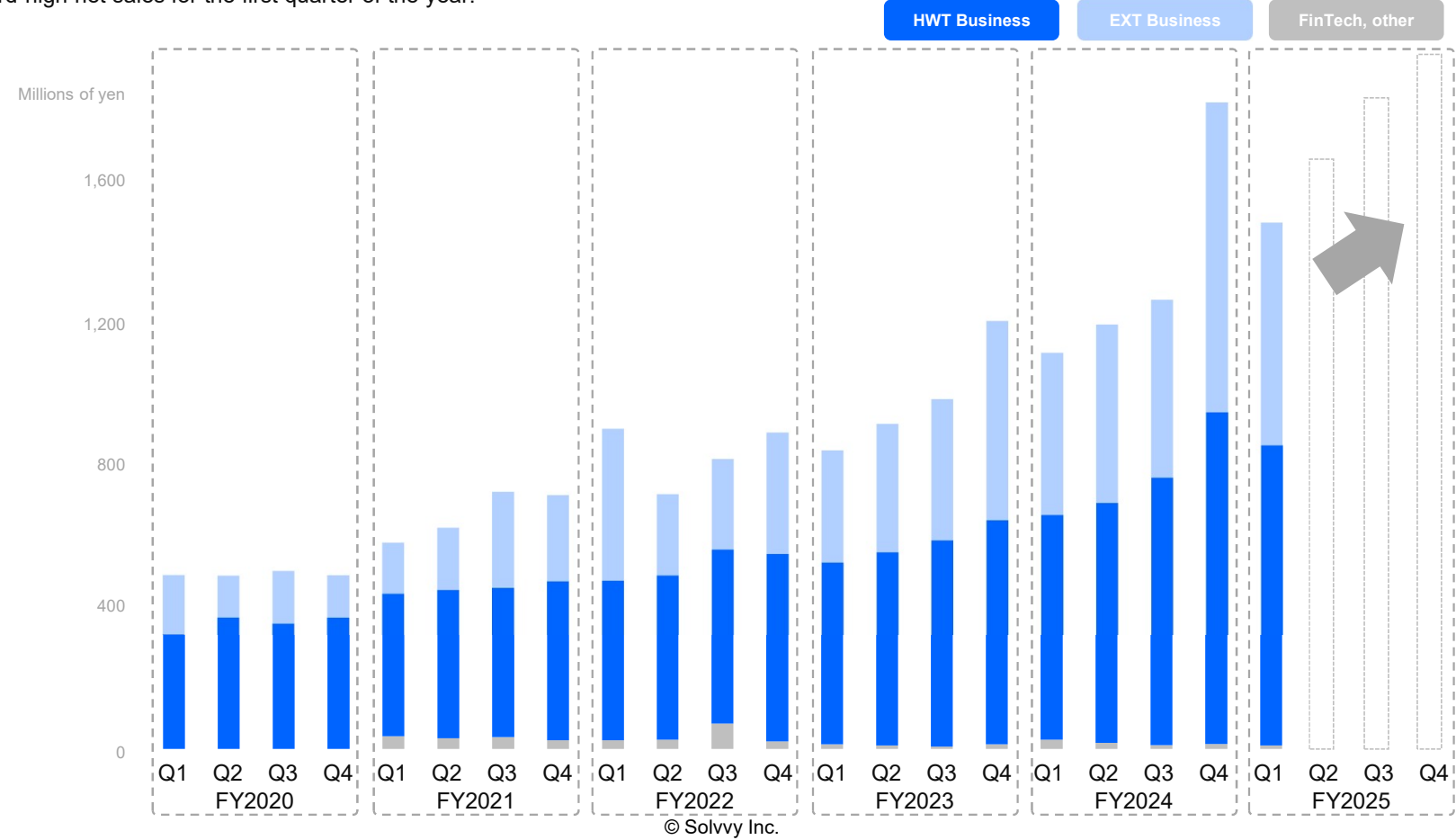
*Figures for Media Seek will be included in the consolidated results starting from FY2025 Q2.

© Solvvy Inc.

Trends in Net Sales for Each Quarter

While the trend is for net sales to be skewed toward 2H, FY2025 Q1 net sales were a record high.

Our net sales results are characterized by being skewed toward the second half of the year due to the timing of deliveries of homes and other factors. Despite this tendency, we made steady progress in acquiring new contracts for building warranties, renewable energy equipment-related warranties, and other services, and achieved record-high net sales for the first quarter of the year.

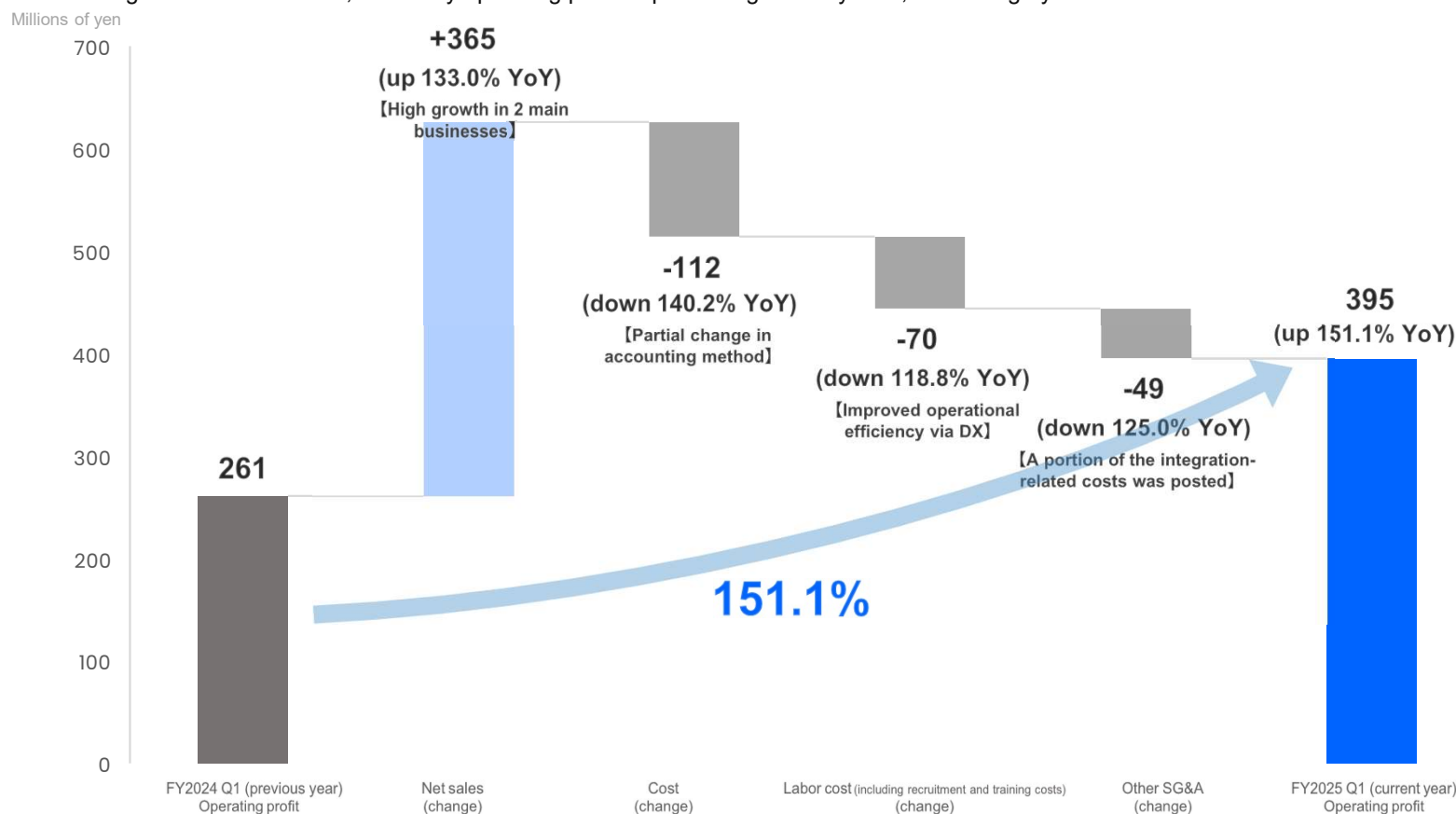


FY2025 Q1 Operating Profit Analysis

Solvvy

Robust growth in existing businesses coupled with successfully curbing of SG&A expenses through business DX contributed to a large increase in profits

Net sales increased significantly by 133.0% year on year (YoY) due to strong growth in our two main businesses. Costs increased 140.2% YoY due to a partial change in the accounting method. As for SG&A expenses, improvement of operational efficiency through DX has exceeded initial expectations and labor costs and various fees were reduced, so even though expenses related to the integration were incurred, ultimately operating profit improved significantly YoY, increasing by 151.1%.



FY2025 Q1 Consolidated Financial Results by Segment

Solvvy

Both net sales and profit increased in our two main businesses, HWT and EXT. HWT has now entered the profit phase

Net sales increased significantly thanks to steady progress made in building warranties and other services for the HWT business and renewable energy equipment-related warranties for the EXT business. In addition, the HWT business has entered a phase in which it makes a higher contribution to overall profit, as unearned revenue recorded as net sales is increasing as the business matures.

Millions of yen	Q1 FY2024.6 Results	Q1 FY2025.6 Results	YoY
Net sales	1,108	1,473	133.0%
HomeworthTech business	629	841	133.8%
ExtendTech business	453	622	137.2%
Other	25	9	35.8%
Operating profit	261	395	151.1%
HomeworthTech business	23	119	509.1%
ExtendTech business	235	304	129.0%
Other	2	-28	-

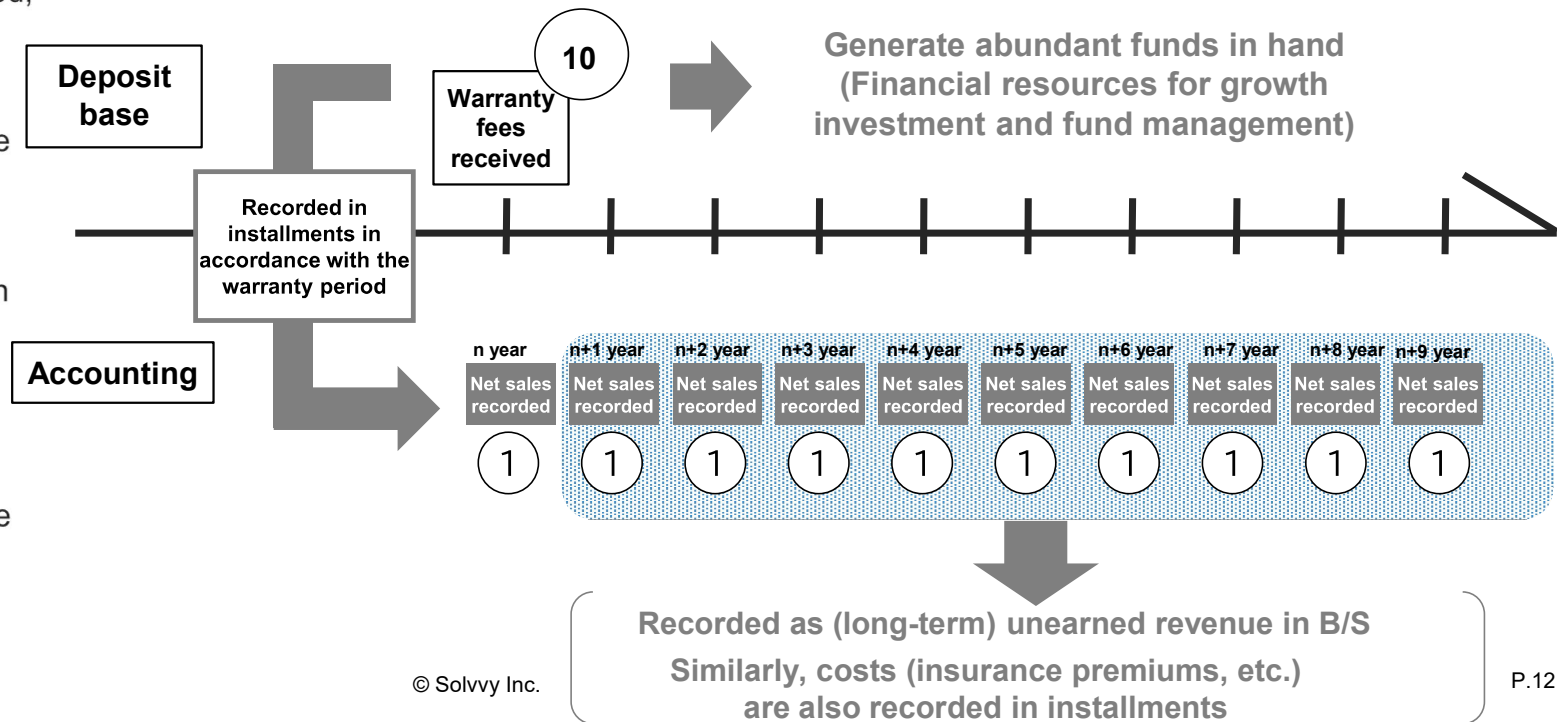
Long-term warranty services have a structure that tends to see profits squeezed in the expansion stage of business due to accounting treatment

- With respect to long-term warranty contracts in the HomeworthTech business, while net sales and costs are recorded on a pro rata basis in accordance with the warranty period, selling, general and administrative expenses are recorded en bloc, making the Company's earnings structure into one that tends to see profits squeezed in the expansion stage of business.

- The maturing of business (an increase in an outstanding balance of warranty contracts) has turned it into the long-term stable earning structure.

- Long-term warranty contracts generate abundant funds in hand as warranty fees are obtained en bloc at the time of conclusion of contracts.

(Example) the case where warranty fees for the 10-year equipment warranty are received en bloc in the n year.

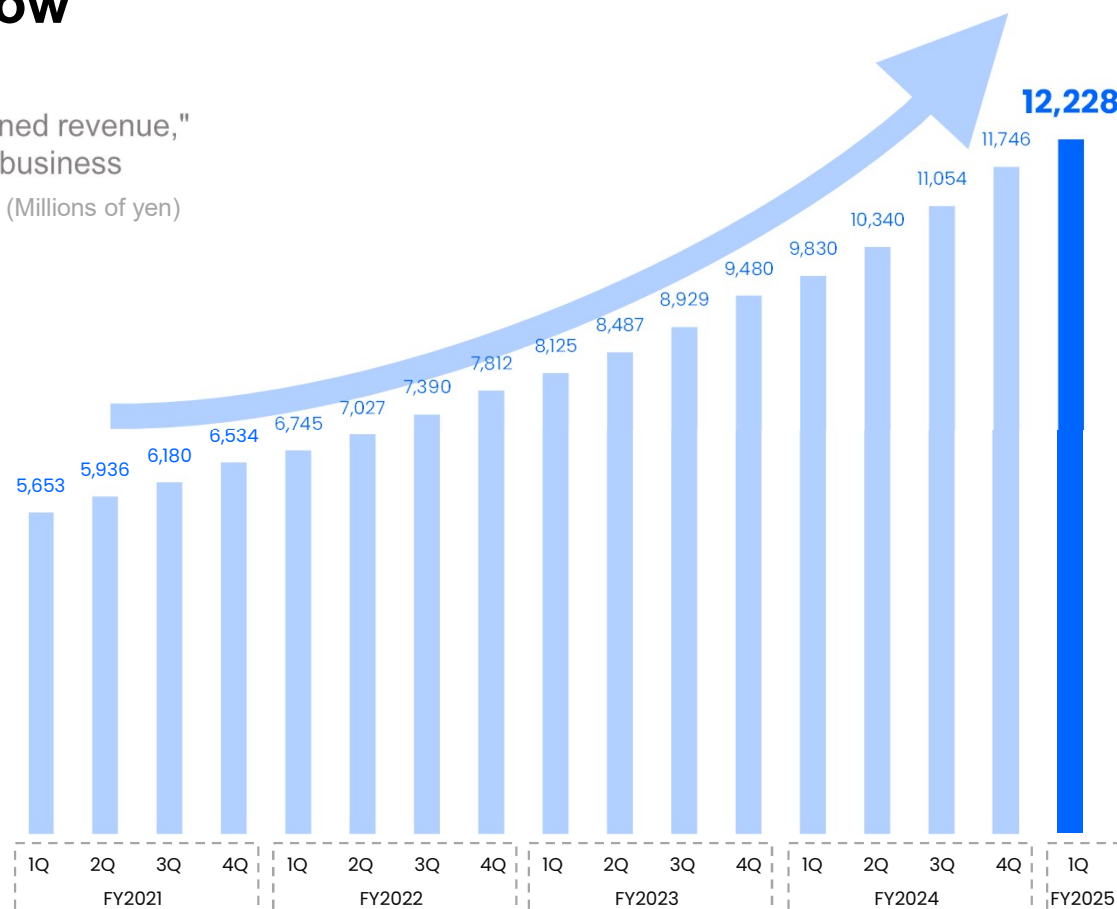


Unearned revenue, or unrecorded sales, has steadily accumulated and now exceeds 12.2 billion yen

*Total value of "unearned revenue + long-term unearned revenue," which corresponds to unrecorded sales for the HWT business

(Millions of yen)

- Unearned revenue,* positioned as a major KPI for the HWT business, topped 12.2 billion yen at the end of the current quarter
- Of warranty fee revenues, those not yet recorded as net sales were recorded as unearned revenue + long-term unearned revenue on the balance sheet
- Unearned revenue* means definite net sales over the future, and thus the balance will be recorded as net sales sequentially to underpin future profitability



03

About Solvvy Inc.

Explanation of the our new corporate brand and management structure.

- 1 About the business integration and change of trade name
- 2 Financial results for Q1 FY2025
- 3 About Solvvy Inc.**

With the November 2024 business integration, we began to operate as a business consulting firm.

On November 1, 2024, Japan Living Warranty Inc. was reborn as Solvvv Inc. through our business integration with Media Seek Inc.

In this era of accelerating changes in the way we live, the way we do business, and even people's values, the challenges facing companies are becoming increasingly complex. Solvvv proposes new ways to solve these issues that cannot be handled by in-house ideas and resources alone.

“Solve with idea, Solve with you.”

Our mission and identity is to contemplate and solve a variety of issues with a wealth of ideas together. We are not a top-down consulting firm, nor are we a business-like subcontractor. We want to be a co-creation partner, sharing joy, anger, sorrow, and pleasure.





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New solutions are required in the business world as well.

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At Solvvy, we work closely with our partners to solve problems together.

For example, when creating stock-type businesses,
we improve business sustainability by providing comprehensive support
from structuring to monetization.

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Purpose

Providing answers the world has never seen before, together.

Vision

A co-creation B for B company

Mission

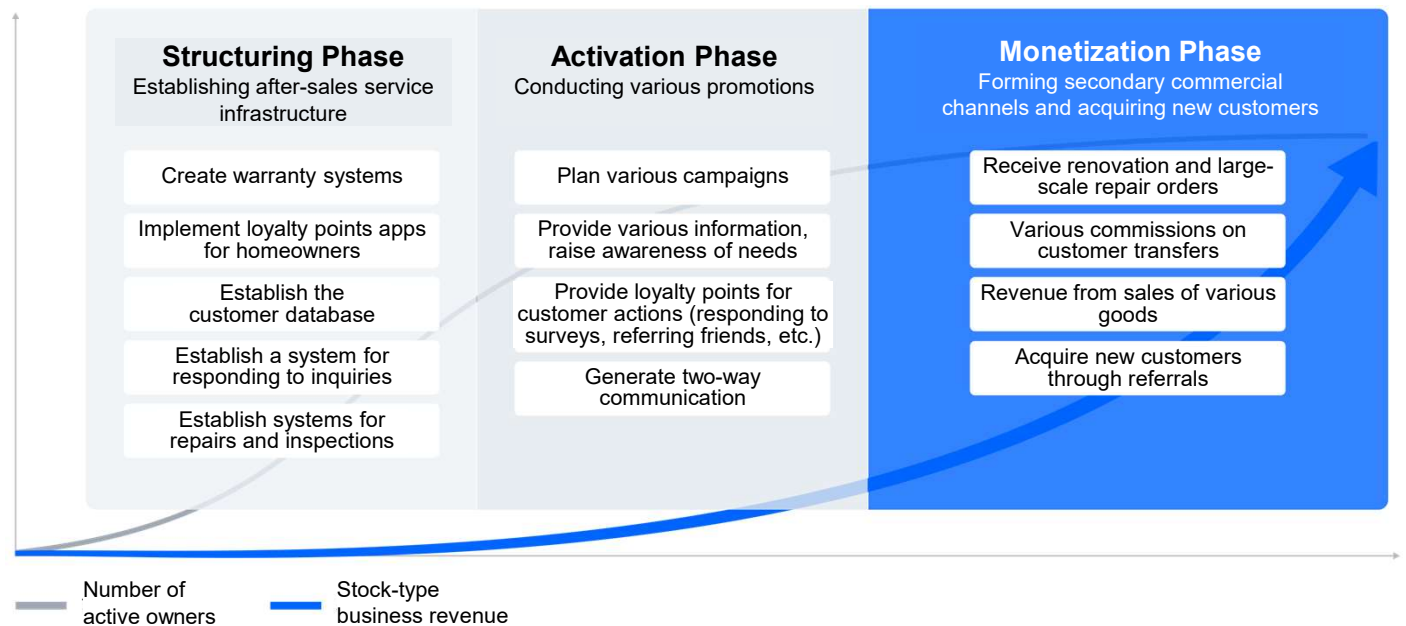
Provide leading stock business consulting

Stock-type Business consulting, after-sales service as a base

Combining various solutions such as warranties, we support the structuring necessary for stock business creation, as well as activation and monetization through customer approach.

In the housing area in particular, we support leading home builders and condominium developers as well as small and medium-sized building firms, and there are many examples of our advanced support services.

[Examples of Support in the Housing Area]



Our unique SAaaS method

SAaaS

Smart Assurance as a Service

This is Solvvy's unique method which we have developed in order to provide companies with comprehensive support for growing their stock-type businesses.

Combining various solutions beginning with assurance, we use a customer approach to support activation and monetization, in addition to the structuring necessary for creating a stock-type business.



Assurance

We extend the scope and methods of warranty provision not only to products (things), but also to services and businesses (experiences), and establish a system.

Digital Marketing

We achieve one-to-one marketing by creating a customer database and ensuring that it stays fresh.

System Integration

We handle all kinds of system-related issues and requests, from modifications of existing systems to developing cutting-edge technology.

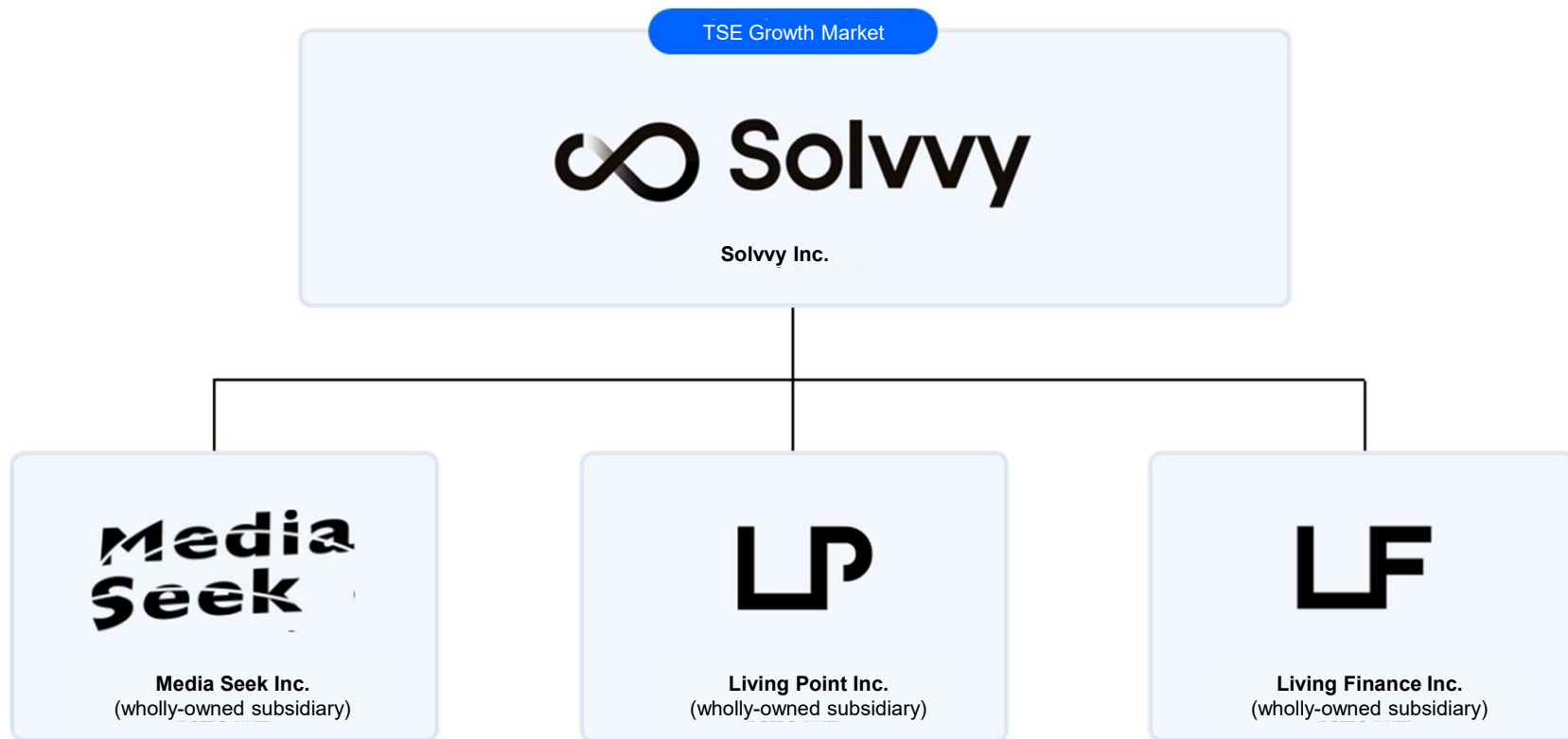
Business Operation

We provide both in-person and digital support for various business operations that are indispensable for business execution.

Embedded Finance

We provide cutting-edge embedded finance services such as issuance of loyalty points and electronic money and credit functions.

Name of the Company	Solvvy Inc.	Capital stock	212,336thousand Yen (*As of June,2024)
Founded	March,2009	Stock Exchange Listings	Tokyo Stock Exchange Growth Market (7320)
Representative	Yoshitaka Adachi Representative Director and President	Correspondent Banks	• Mizuho BK • Sumitomo Mitsui BK • Mitsubishi UFJ BK • Chiba BK
Number of Employees	Approx. 370 (*As of Nov.2024)	Licenses held <small>※Including those held by subsidiaries</small>	• General Construction License • Qualified Architect Office • Issuer of third-party prepaid means of payment • Individual credit purchase brokerage business
Head Office Address	4-33-4,Nishishinjuku,Shinjuku,Tokyo		
Other Offices	Oska • Fukuoka • Nagoya • Sendai		



Representatives and Management Members

Solvvy



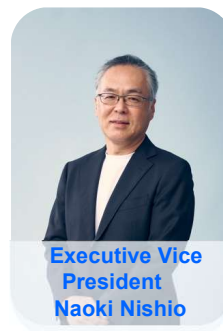
Executive President and Representative Director

Yoshitaka Adachi

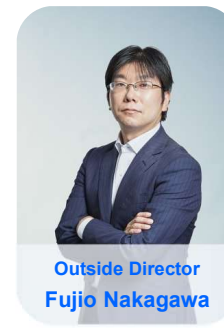
Upon graduating from School of Engineering, Tokyo Institute of Technology, joined Sanwa Bank (currently MUFJ Bank), and was engaged in trading of interest rates of major countries and foreign exchange, and marketing of derivatives products. Later joined the Japanese subsidiary (Marsh Japan) of Marsh Inc., and handled PL risk countermeasures for a major medical equipment manufacturer and provided consulting services for captive investment deals. Took office as the Company's Representative Director in September 2013.



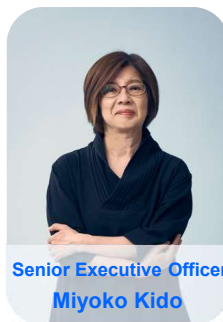
Executive Vice President
Takuya Arakawa



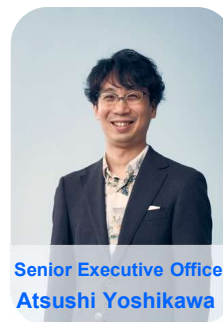
Executive Vice President
Naoki Nishio



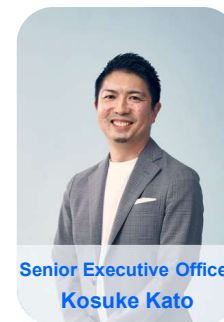
Outside Director
Fujio Nakagawa



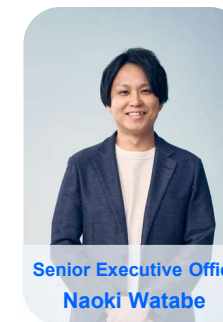
Senior Executive Officer
Miyoko Kido



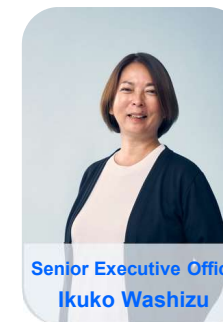
Senior Executive Officer
Atsushi Yoshikawa



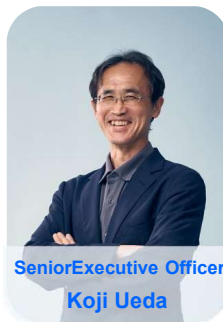
Senior Executive Officer
Kosuke Kato



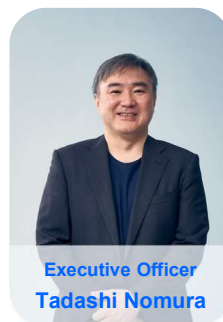
Senior Executive Officer
Naoki Watabe



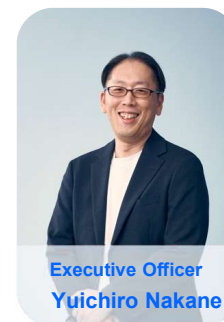
Senior Executive Officer
Ikuko Washizu



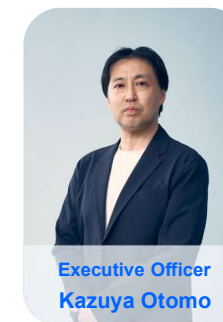
Senior Executive Officer
Koji Ueda



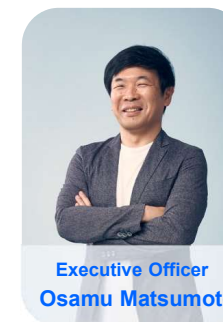
Executive Officer
Tadashi Nomura



Executive Officer
Yuichiro Nakane



Executive Officer
Kazuya Otomo



Executive Officer
Osamu Matsumoto



- **2009**
 - .03 Japan Living Warranty Inc. established
 - .09 Began providing Housing Equipment Anshin Support (housing equipment maintenance warranty)
- **2012**
 - .08 Living Point Inc. (wholly-owned subsidiary) established
- **2015**
 - .11 Obtained a PrivacyMark (P-Mark)
- **2016**
 - .06 Began providing Housing Equipment Anshin Support Premium (housing equipment maintenance warranty × Ouchi points)
- **2017**
 - .04 Began providing Sales Anshin Support (inspection/warranty service when buying or selling an existing house)
 - .08 Began providing a long-term maintenance system (bundled support plan for after-sales operations)
- **2018**
 - .03 Newly listed on the Tokyo Stock Exchange Growth Market (formerly the Mothers Market)
- **2019**
 - .07 Osaka Branch Office opened
 - .08 Started accepting applications for Uchimo Keeping, a total home support service
- **2020**
 - .03 Fukuoka Branch Office opened
 - .04 Nagoya Branch Office opened
 - .04 Began providing warranties for PCs and tablets used in the GIGA School Program
 - .07 Began full-fledged expansion of the building 20-year warranty backup service (long-term building warranty)
- **2021**
 - .01 Release of the After-sales Customer Service Platform, a digital platform for warranty service applications
 - .04 Living Finance Inc. (wholly-owned subsidiary) established
 - .09 Began providing 20-year energy storage system equipment warranties
 - .10 Began providing Ouchi Manager
- **2022**
 - .07 Began providing Earthquake Anshin Support
 - .11 Began providing the EV Charger Warranty, a long-term warranty service for charging equipment for EVs (electric vehicles)
- **2023**
 - .09 Began providing the ESS Warranty System, a warranty service for large-scale storage batteries for industrial and power grid use
 - .12 Began providing Ouchi Bot to support customer service operations of housing business operators
- **2024**
 - .07 Sendai Branch Office opened
 - .07 Began handling coverage for building foundations
 - .08 Began providing KROX, a new SaaS×Fintech service
 - .11 Media Seek Inc. was made a wholly-owned subsidiary
 - .11 Trade name was changed to Solvvy Inc.



Solvvy Inc.

<https://solvvy.co.jp/>

- The present document contains results forecasts, plans, policies, management strategies, targets, expectations, future figures and amounts, the interpretation and evaluation of facts, etc., pertaining to Solvvy Inc.. These forward-looking statements and information, and all other matters outside the realm of the historical record are premised on information obtained by the company at the time of the announcement of the present document, and are based on forecasts, hopes, assumptions, plans, interpretations, and evaluations, etc.
- In addition to facts established in the past and thought to be accurate, the estimation of numerical forecasts requires the use of certain assumptions.
- These facts and assumptions can potentially change, with no objective guarantee as to the accuracy of these, nor to the accuracy regarding future developments. Numerous risks and uncertainties are associated with these facts and assumptions, such as, but not limited to, the existence of possible inaccuracies and a failure of predicted future developments to materialize.
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 For more information, please refer to the e-mail address listed below.
 Solvvy Inc. IR 4-33-4 Nishishinjuku, Shinjuku, Tokyo, Japan
 E-mail: ir@solvvy.co.jp