

February 26, 2026

NJ Holdings Inc.

Financial Results Briefing for the First Half of the Fiscal Year Ending June 30, 2026

Summary of Key Questions and Answers

Q.1) Is the decrease in headcount in the Game business strategic?

Headcount is declining in the development field but increasing in the operations support. The development reduction reflects our strategic approach of being more selective in hiring and streamlining the organization. The operations support increase is largely driven by the expansion of overseas support operations.

Q.2) What are the factors behind the Mobile business's strong performance?

First, the new store effect: because stores opened during H1 of the prior period, the first-half comparison shows an incremental benefit from new stores. Second, handset sales have bottomed out and continue posting year-over-year growth. While purchase deferral persisted due to discount restrictions and currency headwinds, replacement demand continues as roughly four years have elapsed. Carrier replacement support programs provide additional tailwinds. Finally, subscription-based paid services for in-store device setup and support launched last period are also contributing through subscriber growth.

Q.3) Will the reduction in development headcount negatively impact top-line revenue?

When internal resources are insufficient, we utilize outsourcing partners, so there is no direct impact.

Q.4) Do you feel that profit has bottomed out and is rising?

We feel we are only partway there. Projects are not abundant, and we need to remain focused on continuous sales efforts and cost control.

Q.5) I would like to ask about AI utilization.

We are not in an environment where large new projects are constantly launching; rather, we are being asked for small to medium-scale projects. We cannot manage costs using the same development approach. While we are actively trying to advance AI utilization, there are limitations with contract work, so we are currently in a trial-and-error phase. For projects where we can use our own IP and similar opportunities, we are making progress while conducting research.

(note) The forecasts in this document are based on information currently available to the Company and certain assumptions that the Company believes are reasonable. Actual results may differ from forecasts.

(note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.