



## Financial Results for the Fiscal Year Ended November 30, 2023 [Japan GAAP] (non-consolidated)

January 15, 2024

Name of listed company: FP Partner Inc.

Listed exchange Tokyo Stock Exchange

Securities code: 7388

URL: <https://fpp.jp/ir/en/>

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Scheduled date of General Meeting of Shareholders: February 28, 2024

Scheduled date of dividend payment: February 14, 2024

Scheduled date of filing of report: February 28, 2024

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting : Yes (For institutional investors and analysts)

(Amounts are rounded down to the nearest million yen.)

### 1. Earnings for the fiscal year ended November 30, 2023 (December 1, 2022 to November 30, 2023)

#### (1) Operating results

(Percentages represent YoY changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended November 30, 2023	30,559	19.3	5,554	45.2	5,608	47.1	3,953	67.0
Fiscal year ended November 30, 2022	25,605	22.4	3,824	120.4	3,813	110.2	2,366	93.2

  

	Net income per share	Diluted net income per share	Return on Equity	Ratio of ordinary income to gross assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended November 30, 2023	171.74	164.36	37.1	33.6	18.2
Fiscal year ended November 30, 2022	115.03	108.45	41.7	34.4	14.9

(Reference) Equity-method investment gains/losses

Fiscal year ended November 30, 2023: 110 million yen

Fiscal year ended November 30, 2022: 34 million yen

(Note) 1. Because shares of the Company were listed on the Tokyo Stock Exchange Growth Market on September 22, 2022, diluted net income per share for the fiscal year ended November 30, 2022 is calculated by considering average share price from the date of the new listing until November 30, 2022 as the average share price during the fiscal year.

2. On July 1, 2023, the Company conducted a 2-for-1 stock split of its common stock. Net income per share and diluted net income per share are calculated based on the assumption that the stock split was conducted at the beginning of the fiscal year ended November 30, 2022.

#### (2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended November 30, 2023	19,150	12,647	66.0	545.21
Fiscal year ended November 30, 2022	14,265	8,656	60.6	376.08

(Reference) Shareholders' equity

Fiscal year ended November 30, 2023: 12,641 million yen

Fiscal year ended November 30, 2022: 8,649 million yen

(Notes) On July 1, 2023, the Company conducted a 2-for-1 stock split of its common stock. Net assets per share is calculated based on the assumption that the stock split was conducted at the beginning of the fiscal year ended November 30, 2022.

#### (3) Status of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended November 30, 2023	3,721	(612)	2	11,960
Fiscal year ended November 30, 2022	3,562	(365)	2,565	8,848

## 2. Dividends

	Annual dividend					Dividend amount (Total)	Dividend payout ratio	Ratio of dividends to net assets
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended November 30, 2022	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended November 30, 2023	—	0.00	—	90.00	—	2,086	52.4	19.5
Fiscal year ending November 30, 2024 (forecast)	—	0.00	—	90.00	90.00		45.9	

(Note) 1. Breakdown of year-end dividends for the fiscal year ended November 30, 2023

Ordinary dividend: 75.00 yen Commemorative dividend: 15.00 yen

2. On July 1, 2023, the Company conducted a 2-for-1 stock split of its common stock. As a result, the amount before the stock split at the end of the second quarter for the fiscal year ended November 30, 2023 and the amount after the stock split at the end of the fiscal year are presented. The annual dividend is not shown because a simple calculation is not possible due to the stock split. Note that the annual dividend for the fiscal year ended November 11, 2023 on a pre-stock-split basis is 180.00 yen per share.

## 3. Earnings forecast for the fiscal year ending November 30, 2024 (December 1, 2023 to November 30, 2024)

(Percentages represent YoY changes for both full-year and quarters.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ended May 31 (cumulative)	16,794	15.2	3,036	12.7	2,992	7.7	2,034	19.1	87.76
Full year	35,627	16.6	6,725	21.1	6,688	19.3	4,548	15.0	196.16

### \*Explanatory notes

#### (1) Changes in accounting policies, changes in accounting estimates, and restatements

- Changes in accounting policies due to revision of accounting standards, etc. : No
- Changes in accounting policies other than 1. above : No
- Changes in accounting estimates : No
- Restatements : No

#### (2) Number of shares issued and outstanding (common stock)

1. Number of shares issued and outstanding at end of period (including treasury shares)	Fiscal year ended November 30, 2023	23,187,600 shares	Fiscal year ended November 30, 2022	23,000,000 shares
2. Number of treasury shares at end of period	Fiscal year ended November 30, 2023	130 shares	Fiscal year ended November 30, 2022	130 shares
3. Average number of shares during the period	Fiscal year ended November 30, 2023	23,022,257 shares	Fiscal year ended November 30, 2022	20,575,340 shares

(Notes) On July 1, 2023, the Company conducted a 2-for-1 stock split of its common stock. The number of shares issued and outstanding at end of period, number of treasury shares at end of period, and average number of shares during the period are calculated based on the assumption that the stock split was conducted at the beginning of the fiscal year ended November 30, 2022.

- \* The financial results are not subject to audit by certified public accountants or audit firm.
- \* Explanation regarding the appropriate use of earnings forecasts and other special notes

#### (Precautions regarding forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and the Company does not promise the achievement of such forecasts. Actual results may differ significantly due to various factors. Please refer to the attached materials starting on the next page for the assumptions used for earnings forecasts and precautionary statements regarding the use of earnings forecasts.

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## 1. Overview of operating results

### (1) Overview of operating results for the fiscal year under review

In this fiscal year (December 1, 2022 - November 30, 2023), the Japanese economy experienced uncertainties, such as global inflation of goods, concerns about a downturn in the global economy, and ongoing depreciation of the yen. Despite this, Japanese economic activities normalized and inbound demand recovered after the categorization of COVID-19 as a Class 5 disease.

In particular, there was rising interest in new NISA and increased demand for asset formation products in financial markets to prepare against uncertainties in the future. Under these circumstances, with the reform of iDeCo under the Japanese government's doubling asset-based income plan and the new NISA system launching, the trend of self-help for future money is expected to continue.

Also, in the survey of lifestyle security, most people answered that their "most important life event" was "fulfillment of life after retirement." Most people answered that "economic risks they consider in the future" to be "self or family falling ill or getting into accident" followed by "self needing nursing care" (Source: Japan Institute of Life Insurance "FY2022 Survey on Lifestyle Security"). There is expected to be continued high demand for medical insurance and nursing insurance in the future.

Due to these changes in customer awareness, we have also seen a significant increase in the number of policies for asset-forming products such as variable life insurance. At the same time, the number of policies for products that fulfill the needs of medical insurance are also increasing.

Under these circumstances, net sales for the fiscal year were 30,559,562 thousand yen. This is a 19.3% increase from the previous year, achieving continuous net sales growth since the founding of the Company.

Cost of sales were up 2,104,673 thousand yen (up 12.5% YoY) due to salesperson remuneration corresponding with increased net sales and higher legal welfare expenses. Selling, general and administrative expenses were up 1,119,514 thousand yen (up 22.5% YoY) due to increased salaries, allowances and bonuses from expanding operations and rent expenses on land and buildings. Both ended in line with forecasts.

As a result, the Company's financial results were as follows: operating income of 5,554,400 thousand yen (up 45.2% YoY), ordinary income of 5,608,203 thousand yen (up 47.1% YoY), and net income of 3,953,751 thousand yen (up 67.0% YoY).

The status of each initiative during this fiscal year is as follows.

#### 1. Increase in the number of new salesperson hires and the number of offices

During this fiscal year, the number of new salesperson hires were a record 661 persons behind a backdrop of increased recognition due to the stock exchange listing in September 2022 and category change to the Prime Market in September 2023. The number of salespeople as of November 30, 2023 were 2,326 people, a net increase of 312 people from the end of the previous fiscal year. The net increase in salespeople was also a record high.

The number of offices (branches and stores) to which sales employees belong increased by 24 during the current fiscal year, to 152 as of November 30, 2023. The Company operates in 47 prefectures across Japan, but the Company is taking efforts to expand its sales network along with the increase in salespeople in order to reinforce its community-based structure. Also, the Company is expanding the area targeting its financial product sales network, such as investment trusts, etc. and has established 42 IFA offices within existing locations in this fiscal year.

#### 2. Acquisition of prospective policy customers

The Non-life Insurance Sales Department's Direct Center Section (below, "DC Section"), which opened in March 2023, has started full-scale operations to acquire prospective customers for non-face-to-face completion insurance policies. The number of prospective customers for insurance policies has improved steadily due to strengthening relationship with existing partners, reaching 150,130, up 10,135 compared to the end of the previous fiscal year (up 7.2% YoY). The number of in-house customer acquisitions through the service website continued to grow steadily during the current fiscal year. Approaches to transfer contracts through the policy transfer business also increased steadily as appointments to visit Money Doctor Premier (see below) stores rose, contributing to the increase in the number of in-house customer acquisitions.

Further, in this fiscal year, as a result of efforts to improve the efficiency of partner company customer acquisitions and enhance productivity, the number of partner companies were 92 as of November 30, 2023, a decrease of eight companies from the end of the previous fiscal year. On the other hand, the number of customer acquisitions rose as described above. In the future, the Company will take on further efforts to expand potential insurance policy customers and improve the efficiency of partner company customer acquisitions.

#### 3. Sales trends

In this fiscal year, the number of consultations and inquiries about the new NISA that began in January 2024 increased daily as asset formation needs rose, including preparing capital for life after retirement. Under this backdrop, the mainstay

selling product for life insurance during this fiscal year continued to be savings and investment products, such as variable life insurance.

We will continue to propose insurance products suitable for customers based on an analysis of their household budget and asset situations by providing financial planning services.

We also conduct comprehensive consulting by confirming with customers the details of their insurance coverage for transferred policies to clarify the necessary coverage. Corresponding with the increase in number of transferred policies, acquisition of additional new policies have also risen steadily.

As of November 30, 2023, the number of handled life insurance companies was 30 while non-life insurance companies was 11 for a total of 41 companies handled. The Company provides a product lineup that can fulfill customer needs.

We will continue to provide customers with useful information and consulting services on money matters under our customer-oriented business operation policy (fiduciary duty).

#### 4. Expansion of policy transfer business

In the policy transfer business started from 2021, the number of inquiries and the number of companies that have agreed to transfer have continued to increase steadily against the backdrop of higher agency operations costs and the decrease in the agencies as they cannot find successors. In this fiscal year, a total of 50,466 policies have been agreed to be transferred from 29 companies, including approximately 18,000 policies agreed upon in January 2023 and approximately 11,800 policies from a non-life insurance company agreed upon in November 2023. This greatly surpasses the 19,981 policies from the previous fiscal year.

In the past, companies selected the Company to transfer policies to due to the established governance system and nationwide sales network. However, another major factor for this selection is the increase in trust in the Company business due to the listing on the Tokyo Stock Exchange Growth Market and being reclassified to the Prime Market.

In the future, the Company will continue to utilize its strengths and strive to expand the business.

#### 5. Expansion of Money Doctor Premier store openings

In this fiscal year, the Company opened eight new Money Doctor Premier stores for a total of 17 stores. In the fourth quarter of the fiscal year ended November 30, 2023, the Company opened three new stores: Money Doctor Premier Jiyugaoka Store (Jiyugaoka, Meguro-ku) opened on October 20, 2023, Money Doctor Premier MARK IS Fukuoka-Momochi Store (Chuo-ku, Fukuoka City) opened on November 2, 2023, and Money Doctor Premier Kobe Sannomiya Store (Chuo-ku, Kobe City) opened on November 30, 2023. The number of bookings for store visits rose steadily during the fiscal year, reaching 3,541 bookings, greatly exceeding the 2,000 annual bookings in the forecast. Applications for Premier online FP consultations, which is offered to customers who are unable to visit our stores in person, have remained strong as well. These consultations reached 2,261, greatly exceeding the annual forecast of 1,800 consultations.

As Money Doctor Premier stores have been developing a comprehensive money service that offers all kinds of money-related consultations, many customers have been asking for consultations on savings and asset formation. 52.1% (\*) of customers who made a booking or visited a Money Doctor Premier store during the current fiscal year came for advice on asset formation and retirement. We will continue to roll out stores to meet such customer needs in a wider range of areas.

\*Calculated based on questionnaires received at the time of consultation applications and bookings (period covered: December 1, 2022 to November 30, 2023)

#### 6. Expansion of new businesses

In this fiscal year, the Company took efforts for new businesses that intended to improve profit margin and started new advertising and education businesses. Also, in the IFA business, which began trials in some regions in 2021, the number of securities accounts and the balance of assets under custody have increased steadily due to promotion of IFA certification registration by salespeople and are growing toward full-scale entry in the business. In the future, the Company will provide this service to customers nationwide as IFA becomes part of its financial services.

We continue to focus on recruiting sales employees while strengthening corporate partnerships to increase prospective insurance policy customer acquisition and improve efficiency of operations. Utilizing strengths of a nationwide operation, in the future the Company will improve results by expanding its sales foundation that meets the needs of local communities.

Segment information is omitted because the Company operates in a single segment of insurance agency business.

## (2) Overview of financial position for the fiscal year under review

### (Assets)

Total assets at the end of the current fiscal year increased 4,884,878 thousand yen from the end of the previous fiscal year to 19,150,483 thousand yen. The main factors were a 3,111,406 thousand yen increase in cash and deposits resulting from the posting of net income before income taxes and a 230,911 thousand yen increase in policy-related intangible assets due to an expansion of the policy transfer business.

### (Liabilities)

Total liabilities at the end of the current fiscal year increased 894,177 thousand yen from the end of the previous fiscal year to 6,503,004 thousand yen. The main factors were a 444,504 thousand yen increase in accounts payable - trade due to compensation for canvassers corresponding with the increase in net sales and a 289,064 thousand yen increase in refund liabilities.

### (Net assets)

Net assets at the end of the current fiscal year increased 3,990,701 thousand yen from the end of the previous fiscal year to 12,647,478 thousand yen. The main factor was a 3,953,751 thousand yen increase in retained earnings resulting from the posting of net income.

## (3) Status of cash flows for the fiscal year under review

Cash and cash equivalents at the end of the current fiscal year increased 3,111,406 thousand yen from the end of the previous fiscal year to 11,960,192 thousand yen.

The status of cash flows at the end of the current fiscal year and their factors are as follows.

### (Cash flows from operating activities)

Net cash provided by operating activities amounted to 3,721,340 thousand yen (3,562,342 thousand yen provided in the previous year). The main factors were that net cash increased due to booking net income before income taxes of 5,608,203 thousand yen, despite net cash decreasing due to income taxes paid of 1,942,439 thousand yen.

### (Cash flows from investing activities)

Net cash used in investing activities totaled 612,075 thousand yen (365,000 thousand yen used in the previous year). The main factors were that net cash decreased 530,336 thousand yen from purchase of non-current assets and 106,175 thousand yen on payments of leasehold and guarantee deposits.

### (Cash flows from financing activities)

Net cash provided by financing activities amounted to 2,141 thousand yen (2,565,075 thousand yen provided in the previous year). The main factors were that net cash decreased 30,908 thousand yen from expenses related to the market change despite net cash increasing 37,520 thousand yen on proceeds from issuance of shares resulting from exercise of share acquisition rights.

## (4) Future outlook

In terms of the future outlook, there are rising customer needs for asset formation in Japan, as displayed by the increased interest in the new NISA system. Therefore, the Company expects this trend to lead to new customer acquisition, including acquisition of potential prospective customers.

Under these circumstances, in order to meet the increasing number of customer needs, the Company is targeting further growth in the number of policies transferred, performance of Money Doctor Premier stores, and performance of non-life insurance business, which were presented as the new pillars for growth last year.

In terms of transferred policies, the Company offers a service fitting the customer as customer policies are transferred from agencies that have gone out of business to the Company with the Company salesperson serving as a new financial planner. Behind the backdrop of the classification to the Prime Market last year, trust in the Company rose and the transfer of over 50,000 policies were agreed upon. In the fiscal year ending November 30, 2024, the Company looks toward the further expansion of the number of transferred policies based on past experience and results.

The Company strengthened efforts to open Money Doctor Premier stores, which were started in November 2021, primarily in large-scale commercial facilities in metropolitan areas. In the previous year, eight stores were opened for a total of 17 stores. As both existing and new stores steadily attracted new customers, the number of bookings for store visits greatly exceeded forecasts. In the fiscal year ending November 30, 2024, the Company plans to open 13 new stores for a total of 30 stores.

In non-life insurance, the number of new policies for fire insurance acquired by non-face-to-face means through the DC Section, newly established in March 2023, grew steadily. Operational efficiency will be improved through changes to the calling system as the Company targets further expansion. Also, the Company will increase the number of salespeople in

charge of non-life insurance to renew policies transferred from non-life insurance agencies and conduct applications for additional policies. Through these efforts, the Company expects to increase new sales from new policies and renewals of non-life insurance.

In addition, the Company will begin full operation of its activities in the advertising, education, and IFA businesses that were started the previous fiscal year.

In the future, the Company will improve both efficiency of operations and company results by flexibly responding to diversifying customer needs, strengthening the revenue foundation as an insurance agency store business, and aiming to expand provided services as a comprehensive financial services company.

Results forecast for the fiscal year ending November 30, 2024 is as follows.

Net sales: 35,627,613 thousand yen (up 16.6% YoY)

Operating income: 6,725,870 thousand yen (up 21.1% YoY)

Ordinary income: 6,688,718 thousand yen (up 19.3% YoY)

Net income: 4,548,328 thousand yen (up 15.0% YoY)

#### (5) Important matters regarding going concern assumptions

Not applicable.

## 2. Basic thoughts regarding selection of accounting standards

The Company has adopted the Japan GAAP because it has not prepared consolidated financial statements. Further, the Company plans to consider the adoption of IFRS (International Financial Reporting Standards) based on the trends of competitors.

### 3. Financial statements and major notes

#### (1) Balance sheet

	(Unit: Thousands of yen)	
	Previous fiscal year (November 30, 2022)	Current fiscal year (November 30, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	8,848,786	11,960,192
Accounts receivable - trade	777,254	1,776,036
Supplies	13,378	12,870
Advance payments to suppliers	208,669	32,601
Prepaid expenses	299,370	497,255
Other	3,328	32,055
Total current assets	10,150,788	14,311,011
Non-current assets		
Property, plant and equipment		
Buildings	1,414,569	1,540,184
Accumulated depreciation	(371,010)	(515,195)
Buildings, net	1,043,558	1,024,989
Vehicles	4,565	4,565
Accumulated depreciation	(380)	(1,773)
Vehicles, net	4,185	2,791
Tools, furniture and fixtures	37,673	57,844
Accumulated depreciation	(13,494)	(28,733)
Tools, furniture and fixtures, net	24,178	29,111
Land	1,827,402	1,827,402
Construction in progress	1,465	197,178
Total property, plant and equipment	2,900,790	3,081,472
Intangible assets		
Trademark right	3,375	2,875
Software	49,620	121,155
Policy-related intangible assets	172,221	403,132
Software in progress	2,358	—
Total intangible assets	227,575	527,163
Investments and other assets		
Investment securities	1,007	1,007
Shares of subsidiaries and associates	200,000	200,000
Long-term prepaid expenses	3,716	7,837
Deferred tax assets	359,634	524,405
Leasehold and guarantee deposits	422,092	497,584
Total investments and other assets	986,451	1,230,835
Total non-current assets	4,114,817	4,839,471
Total assets	14,265,605	19,150,483



(Unit: Thousands of yen)

	Previous fiscal year (November 30, 2022)	Current fiscal year (November 30, 2023)
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	1,909,999	2,354,504
Current portion of long-term borrowings	4,470	53,640
Accounts payable - other	604,214	683,781
Accrued expenses	253,100	330,564
Income taxes payable	1,253,561	1,114,954
Advances received	262	31,975
Deposits received	2,034	482
Deposits received from employees	469,573	560,136
Provision for loss on litigation	–	390
Refund liabilities	239,261	528,326
Asset retirement obligations	6,972	4,923
Other	–	2,600
Total current liabilities	4,743,449	5,666,280
Non-current liabilities		
Long-term borrowings	644,580	590,940
Asset retirement obligations	217,536	245,175
Other	3,260	609
Total non-current liabilities	865,377	836,724
Total liabilities	5,608,827	6,503,004
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,894,000	1,913,229
Capital surplus		
Legal capital surplus	1,794,000	1,813,229
Other capital surplus	3,000	3,000
Total capital surplus	1,797,000	1,816,229
Retained earnings		
Other retained earnings		
Retained earnings brought forward	4,959,055	8,912,806
Total retained earnings	4,959,055	8,912,806
Treasury shares	(277)	(277)
Total shareholders' equity	8,649,777	12,641,987
Share acquisition rights	7,000	5,491
Total net assets	8,656,777	12,647,478
Total liabilities and net assets	14,265,605	19,150,483

## (2) Income statement

	(Unit: Thousands of yen)	
	Previous fiscal year (December 1, 2021 to November 30, 2022)	Current fiscal year (December 1, 2022 to November 30, 2023)
Net sales	25,605,752	30,559,562
Cost of sales	16,800,611	18,905,285
Gross profit	8,805,141	11,654,277
Selling, general and administrative expenses	4,980,362	6,099,876
Operating income	3,824,778	5,554,400
Non-operating income		
Interest income	32	83
Rental income from buildings	18,020	14,055
Rental income	12,500	10,132
Outsourcing service income	—	146,954
Other	6,573	5,975
Total non-operating income	37,126	177,201
Non-operating expenses		
Interest expenses	7,077	2,626
Share issuance costs	16,457	—
Loss on retirement of non-current assets	11,744	17,971
Provision for loss on litigation	2,600	390
Compensation expenses	—	50,000
Listing expenses	8,159	—
Market change expenses	—	30,908
Loss on cancellation of rental contracts	1,586	12,586
Other	816	8,914
Total non-operating expenses	48,441	123,398
Ordinary income	3,813,463	5,608,203
Net income before income taxes	3,813,463	5,608,203
Income taxes - current	1,559,043	1,819,223
Income taxes - deferred	(112,389)	(164,771)
Total income taxes	1,446,654	1,654,451
Net income	2,366,809	3,953,751

### (3) Statement of changes in equity

Previous fiscal year (December 1, 2021 to November 30, 2022)

(Unit: Thousands of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	100,000	—	3,000	3,000	2,592,245	2,592,245
Changes during period						
Issuance of new shares	1,794,000	1,794,000		1,794,000		
Net income					2,366,809	2,366,809
Purchase of treasury shares						
Total changes during period	1,794,000	1,794,000	—	1,794,000	2,366,809	2,366,809
Balance at end of period	1,894,000	1,794,000	3,000	1,797,000	4,959,055	4,959,055

	Shareholders' equity		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at beginning of period	—	2,695,245	7,000	2,702,245
Changes during period				
Issuance of new shares		3,588,000		3,588,000
Net income		2,366,809		2,366,809
Purchase of treasury shares	(277)	(277)		(277)
Total changes during period	(277)	5,954,531	—	5,954,531
Balance at end of period	(277)	8,649,777	7,000	8,656,777

Current fiscal year (December 1, 2022 to November 30, 2023)

(Unit: Thousands of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	1,894,000	1,794,000	3,000	1,797,000	4,959,055	4,959,055
Changes during period						
Issuance of new shares	19,229	19,229		19,229		
Net income					3,953,751	3,953,751
Net changes in items other than shareholders' equity						
Total changes during period	19,229	19,229	—	19,229	3,953,751	3,953,751
Balance at end of period	1,913,229	1,813,229	3,000	1,816,229	8,912,806	8,912,806

	Shareholders' equity		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at beginning of period	(277)	8,649,777	7,000	8,656,777
Changes during period				
Issuance of new shares		38,458		38,458
Net income		3,953,751		3,953,751
Net changes in items other than shareholders' equity			(1,508)	(1,508)
Total changes during period	—	3,992,209	(1,508)	3,990,701
Balance at end of period	(277)	12,641,987	5,491	12,647,478

## (4) Statement of cash flows

	(Unit: Thousands of yen)	
	Previous fiscal year (December 1, 2021 to November 30, 2022)	Current fiscal year (December 1, 2022 to November 30, 2023)
<b>Cash flows from operating activities</b>		
Net income before income taxes	3,813,463	5,608,203
Depreciation	147,898	355,773
Amortization of goodwill	51,806	—
Increase (decrease) in provisions	(903)	390
Interest and dividend income	(32)	(83)
Interest expenses	7,077	2,626
Loss (gain) on sale and retirement of non-current assets	11,744	17,971
Share issuance costs	16,457	—
Listing expenses	8,159	—
Market change expenses	—	30,908
Decrease (increase) in trade receivables	(223,510)	(998,782)
Decrease (increase) in inventories	14,252	508
Increase (decrease) in trade payables	545,743	444,504
Increase (decrease) in accrued consumption taxes	118,875	48,636
Decrease (increase) in other assets	(255,775)	(428,165)
Increase (decrease) in other liabilities	374,771	583,829
Subtotal	4,630,029	5,666,321
Interest and dividends received	32	83
Interest paid	(7,077)	(2,626)
Income taxes paid	(1,060,641)	(1,942,439)
Net cash provided by (used in) operating activities	3,562,342	3,721,340
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	(257,390)	(530,336)
Payments for asset retirement obligations	(9,749)	(3,595)
Payments of leasehold and guarantee deposits	(127,866)	(106,175)
Proceeds from refund of leasehold and guarantee deposits	30,036	30,684
Refund of guarantee deposits received	(30)	(2,651)
Net cash provided by (used in) investing activities	(365,000)	(612,075)
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	1,306,000	—
Repayments of short-term borrowings	(1,306,000)	—
Repayments of long-term borrowings	(998,030)	(4,470)
Proceeds from issuance of shares	3,571,542	—
Purchase of treasury shares	(277)	—
Proceeds from issuance of shares resulting from exercise of share acquisition rights	—	37,520
Payment of listing expenses	(8,159)	—
Payment of market change expenses	—	(30,908)
Net cash provided by (used in) financing activities	2,565,075	2,141
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	5,762,418	3,111,406
Cash and cash equivalents at beginning of period	3,086,367	8,848,786
Cash and cash equivalents at end of period	8,848,786	11,960,192

## (5) Notes to financial statements

(Segment information, etc.)

[Segment information]

Segment information is omitted because the Company's only reporting segment is insurance agency business.

(Equity-method gains and losses, etc.)

### 1. Items regarding affiliates

	Previous fiscal year (December 1, 2021 to November 30, 2022)	Current fiscal year (December 1, 2022 to November 30, 2023)
Investment amount in related companies	200,000 thousand yen	200,000 thousand yen
Investment amount applying equity-method	159,972 thousand yen	270,032 thousand yen
Investment income amount applying equity-method	34,239 thousand yen	110,060 thousand yen

### 2. Items related to special purpose companies subject to disclosure

The Company does not hold any special purpose companies subject to disclosure.

(Per share information)

	Previous fiscal year (December 1, 2021 to November 30, 2022)	Current fiscal year (December 1, 2022 to November 30, 2023)
Amount of net assets per share	376.08 yen	545.21 yen
Net income per share	115.03 yen	171.74 yen
Diluted net income per share	108.45 yen	164.36 yen

- (Notes) 1. Because shares of the Company were listed on the Tokyo Stock Exchange Growth Market on September 22, 2022, diluted net income per share for the previous fiscal year is calculated by considering average share price from the date of the new listing until the last day of the previous fiscal year as the average share price during the fiscal year.
2. On July 1, 2023, the Company conducted a 2-for-1 stock split of its common stock. Amount of net assets per share, net income per share, and diluted net income per share are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.
3. The basis for calculating net income per share and diluted net income per share is as follows.

Item	Previous fiscal year (December 1, 2021 to November 30, 2022)	Current fiscal year (December 1, 2022 to November 30, 2023)
Net income per share		
Net income (Thousands of yen)	2,366,809	3,953,751
Amount not attributable to shareholders of common stock (Thousands of yen)	—	—
Net income attributable to common stock (Thousands of yen)	2,366,809	3,953,751
Average number of shares of common stock during the period (Shares)	20,575,340	23,022,257
Diluted net income per share		
Adjusted net income (Thousands of yen)	—	—
Increase in number of shares of common stock (Shares)	1,247,909	1,033,656
(Of which, share acquisition rights (Shares))	1,247,909	1,033,656
Overview of potential shares not included in calculation of diluted net income per share as a result of not possessing dilution effects	—	—

4. The basis for calculating amount of net assets per share is as follows.

Item	Previous fiscal year (November 30, 2022)	Current fiscal year (November 30, 2023)
Total net assets (Thousands of yen)	8,656,777	12,647,478
Amount deducted from total net assets (Thousands of yen)	7,000	5,491
(Of which, share acquisition rights) (Thousands of yen)	(7,000)	(5,491)
Year-end net asset amount related to common stock (Thousands of yen)	8,649,777	12,641,987
Number of year-end shares of common stock used in the calculation of the amount of net assets per share (Shares)	22,999,870	23,187,470

(Significant subsequent events)

Not applicable.