



FYE June 2025 Financial Results

KOZO KEIKAKU ENGINEERING HOLDINGS Inc.

2025.8.21

- 1. Overview of Consolidated Financial Results**
- 2. Forecast of Financial Results for the Fiscal Year
Ending June 30, 2026**
- 3. Aiming to Build a Better Society**

Note pertaining to this data:

- In principle, monetary amounts included in this document are rounded down to the nearest million yen.
- The forward-looking statements included in this document are based on information currently available to the Company and on certain preconditions that the Company deems reasonable. The Company provides no guarantee that what is stated will actually be realized.
- The names of companies, systems, and products included in this document are, as a general rule, trademarks or registered trademarks of companies, including KOZO KEIKAKU ENGINEERING Inc.



- ① **Achieved record high levels of net sales, operating profit and net profit**
(2 billion yen) (20 billion yen) (3 billion yen)
- ② **On a segment basis, Engineering Consulting and Product Service both surpassed the previous year**
- ③ **Growth in subscription revenue from the cloud service provision-type business contributed to an improvement in productivity per member**
- ④ **Orders remained steady, with the order backlog at the end of the FY under review standing at 8,587 million yen**
- ⑤ **Share price reached a post-split high of 3,190 yen with a market capitalization of 30 billion yen, exceeding the (pre-stock-split) 5,000 yen from when the company was listed in 2000**

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Overview of Consolidated Financial Results



- ① Net sales, operating profit and net profit each surpassed the previous year's levels and also beat forecasts
- ② The revenue mix improved thanks to growth in subscription revenue from the cloud service provision-type business, producing an operating margin of 15.3%

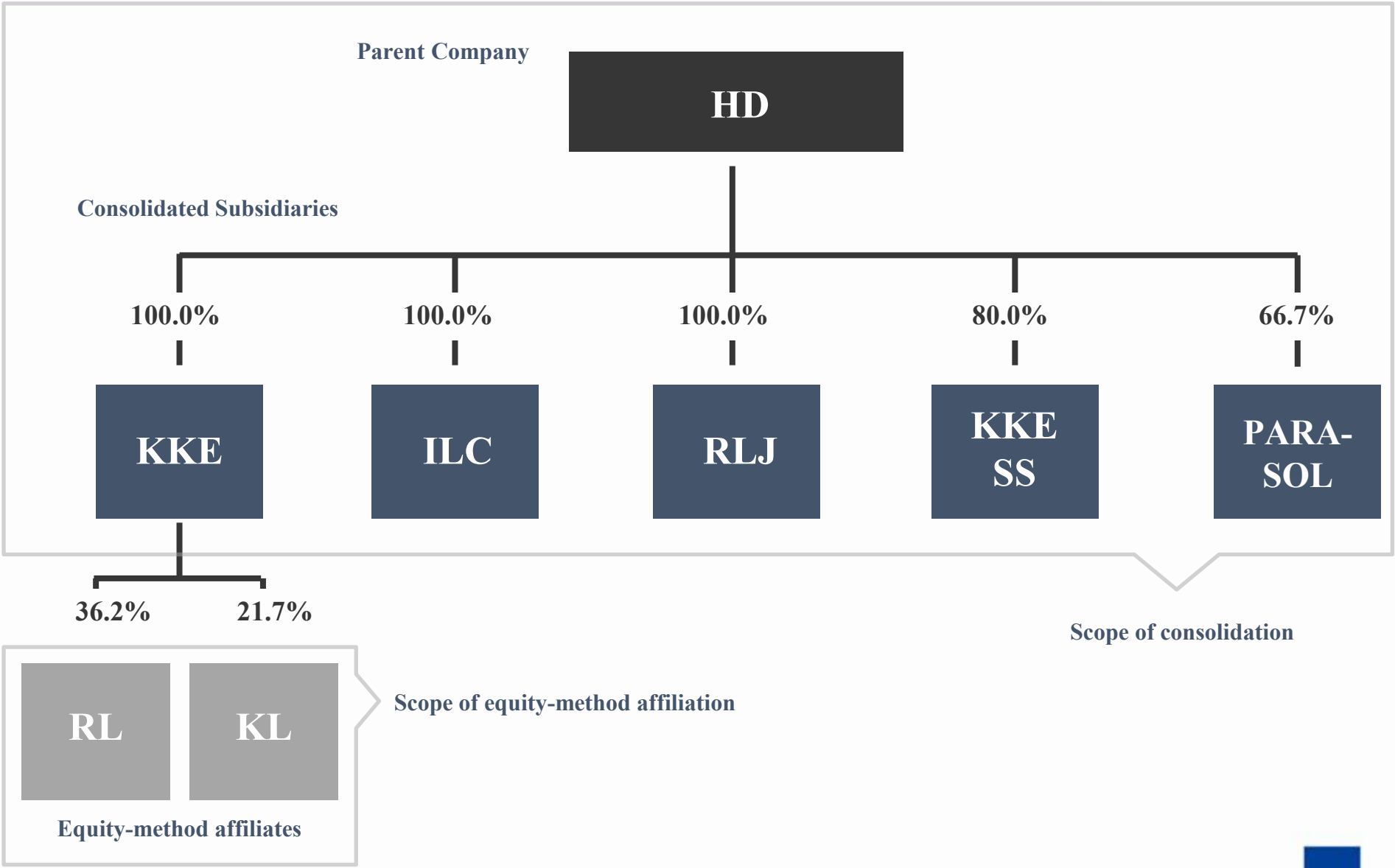
(Million yen)

Item	FYE June 2024 (Non-consolidated)	FYE June 2025 (Consolidated)	Change	Rate of change from previous FY	FYE June 2025 Full-year forecast	Change
Net sales	17,942	20,137	2,195	12.2%	19,500	637
Gross profit	9,322	10,514	1,192	12.8%		
(Gross margin)	(52.0%)	(52.2%)				
Operating profit	2,372	3,073	700	29.5%	2,550	523
(Operating margin)	(13.2%)	(15.3%)				
Ordinary profit	2,534	3,046	512	20.2%	2,545	501
(Ordinary margin)	(14.1%)	(15.1%)				
Profit attributable to owners of parent	1,949	2,048	99	5.1%	1,950	98
(Net margin)	(10.9%)	(10.2%)				

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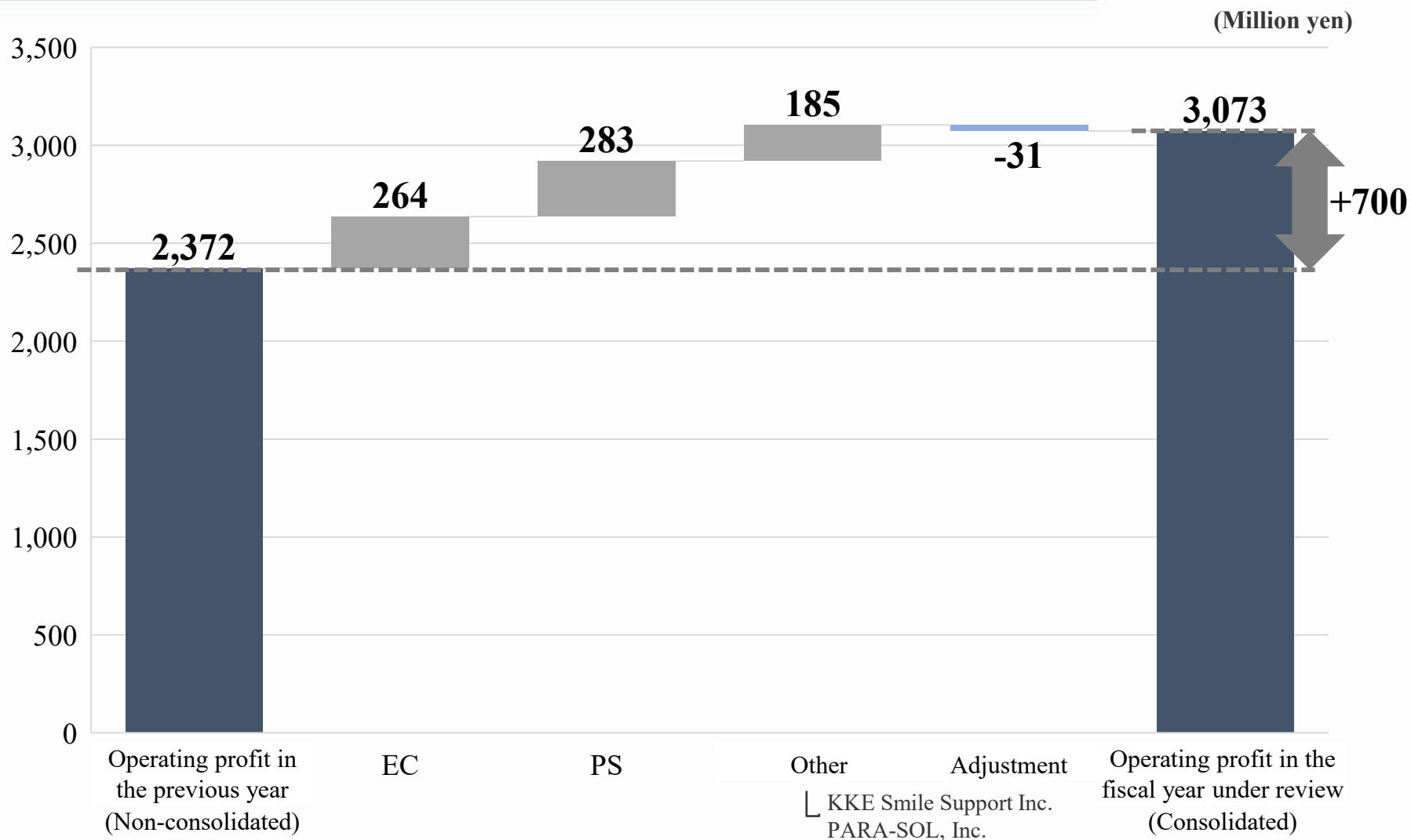
Item	Details
Name	International Logic Corporation
Location	230 CALIFORNIA ST., SUITE 415 SAN FRANCISCO, CA 94111
Name and Title of Representative	Chief Executive Officer SHOTA HATTORI
Business Activities	RemoteLOCK purchasing and sales, consulting, etc.
Capital	320,800USD
Date Acquired	March 25, 2005
Total Number of Outstanding Shares	320,800 shares
FYE	June
Number of Shares Held	KKEHD: 320,800 shares

Item	Details
Name	RemoteLock Japan Co., Ltd.
Location	Inside the Japan Holstein Hall, 4-38-13 Hon-cho, Nakano-ku, Tokyo
Name and Title of Representative	Takayuki Seto, Representative Director
Business Activities	Cloud-type access solution service, import and sales of electronic and electrical devices and equipment such as smart locks
Capital	2,500,000 yen
Established	July 1, 2022
Total Number of Outstanding Shares	10,000 shares
FYE	June
Number of Shares Held	KKEHD: 10,000 shares

Item	Details
Name	KKE Smile Support Inc.
Location	Inside the Japan Holstein Hall, 4-38-13 Hon-cho, Nakano-ku, Tokyo
Name and Title of Representative	Tsuyoshi Sumiya, Representative Director
Business Activities	Personnel staffing and various support services
Capital	12.50 million yen
Established	August 1, 2022
Total Number of Outstanding Shares	50,000 shares
FYE	June
Number of Shares Held	KKEHD: 40,000 shares, Tsuyoshi Sumiya: 10,000 shares

Item	Details
Name	PARA-SOL, Inc.
Location	2081-28 Tabaru, Mashiki-machi, Kamimashiki-gun, Kumamoto
Name and Title of Representative	Munesada Tajiri, Representative Director
Business Activities	Personnel staffing, SE services and various support services
Capital	30 million yen
Established	August 8, 2018
Total Number of Outstanding Shares	3,000 shares
FYE	June
Number of Shares Held	KKEHD: 2,000 shares, Munesada Tajiri: 500 shares, Daiichi Corporation Co.: 500 shares

Factors Affecting Changes in Operating Profit



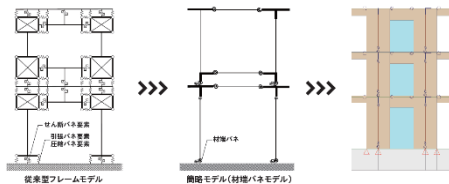
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Tackling customer issues and providing solutions through consulting, system development and more

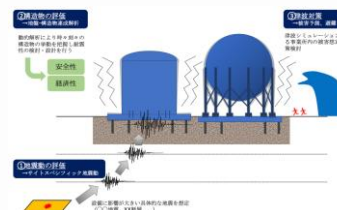
Structural design and structural analysis consulting

- Structural analysis of specialized buildings
- Structural design of wind turbine foundations and towers



Environment assessment and disaster risk reduction consulting

- Ground motion assessment
- Disaster risk assessment
- Wind condition analysis



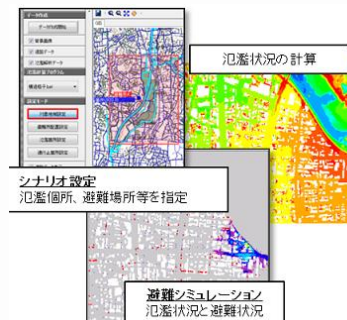
IT system development for housing and construction

- System development including CAD, BIM and structural calculation



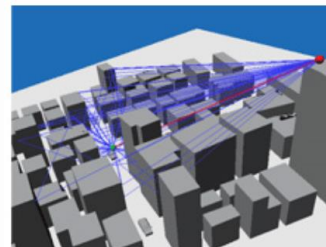
Decision-making support consulting

- Social simulation
- Optimization



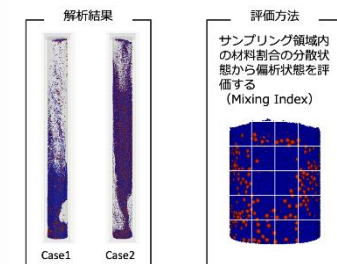
Information and communication technology consulting

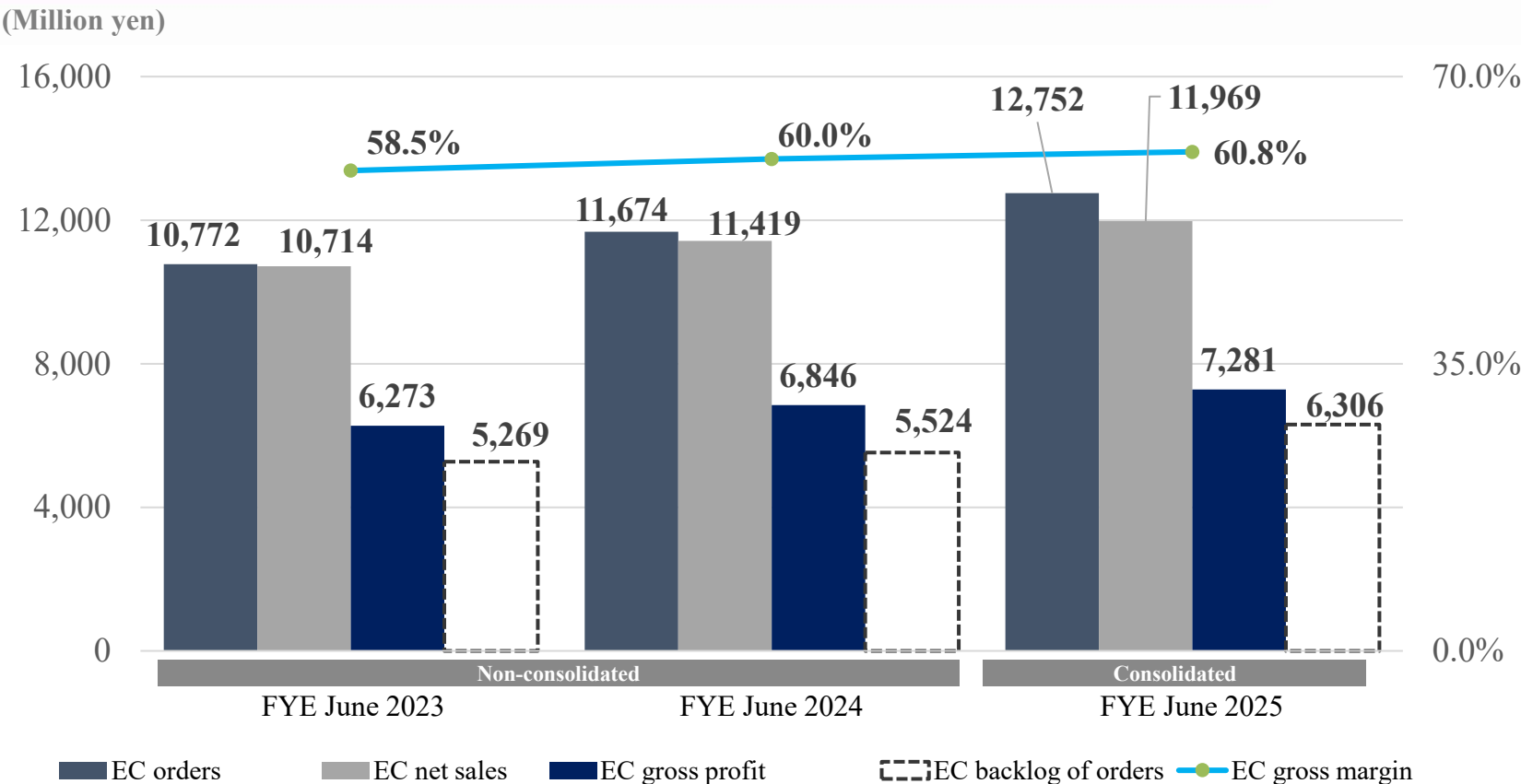
- Communication network
- Radio wave propagation simulation
- Electromagnetic field simulation



Data utilization and consulting for the manufacturing sector

- CAE-based design streamlining and optimization of production technologies





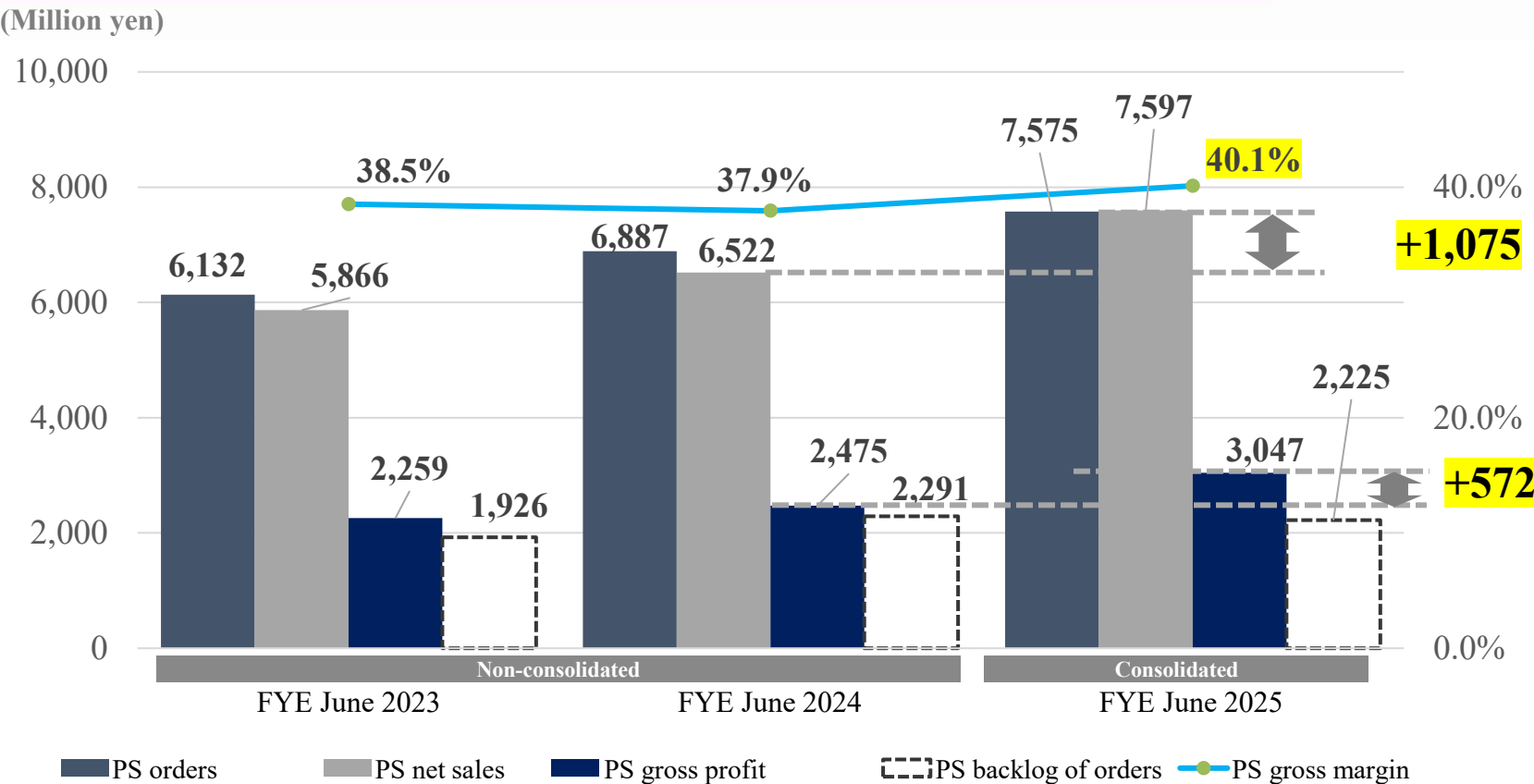
- Produced solid results by steadily implementing projects carried over from the previous fiscal year and new orders secured during the fiscal year under review.
- Continued to maintain high profit margins by focusing on ensuring quality
- Orders have remained steady, going into the next fiscal year with an order backlog of 6,306 million yen

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A business providing solutions with technology-driven extensibility

Structural design support	Decision-making support	Analysis and Design Support for Communication and Radio Wave Environments	Design and development support for manufacturers	Cloud
- Architectural building analysis - Ground analysis, etc.	- Social simulation - Risk assessment	- Radio propagation analysis - Network analysis 5G and 6G verification platform	- CAE (thermal flow analysis, particle-based simulation, granular simulation) - Sales support solutions, etc.	- Cloud-based e-mail delivery service - Cloud-based entry/exit control system 3D site data platform
RESP * STAN *	artisoc * Crystal Ball	RapLab * KCAMP * Wireless InSite OAiBOX™	SOLIDWORKS ADAP * FloEFD iGRA * Particleworks™ KKE/OrderConfig eINS SIMSCALE	SendGrid RemoteLOCK™ NavVis Cloud service-provision type

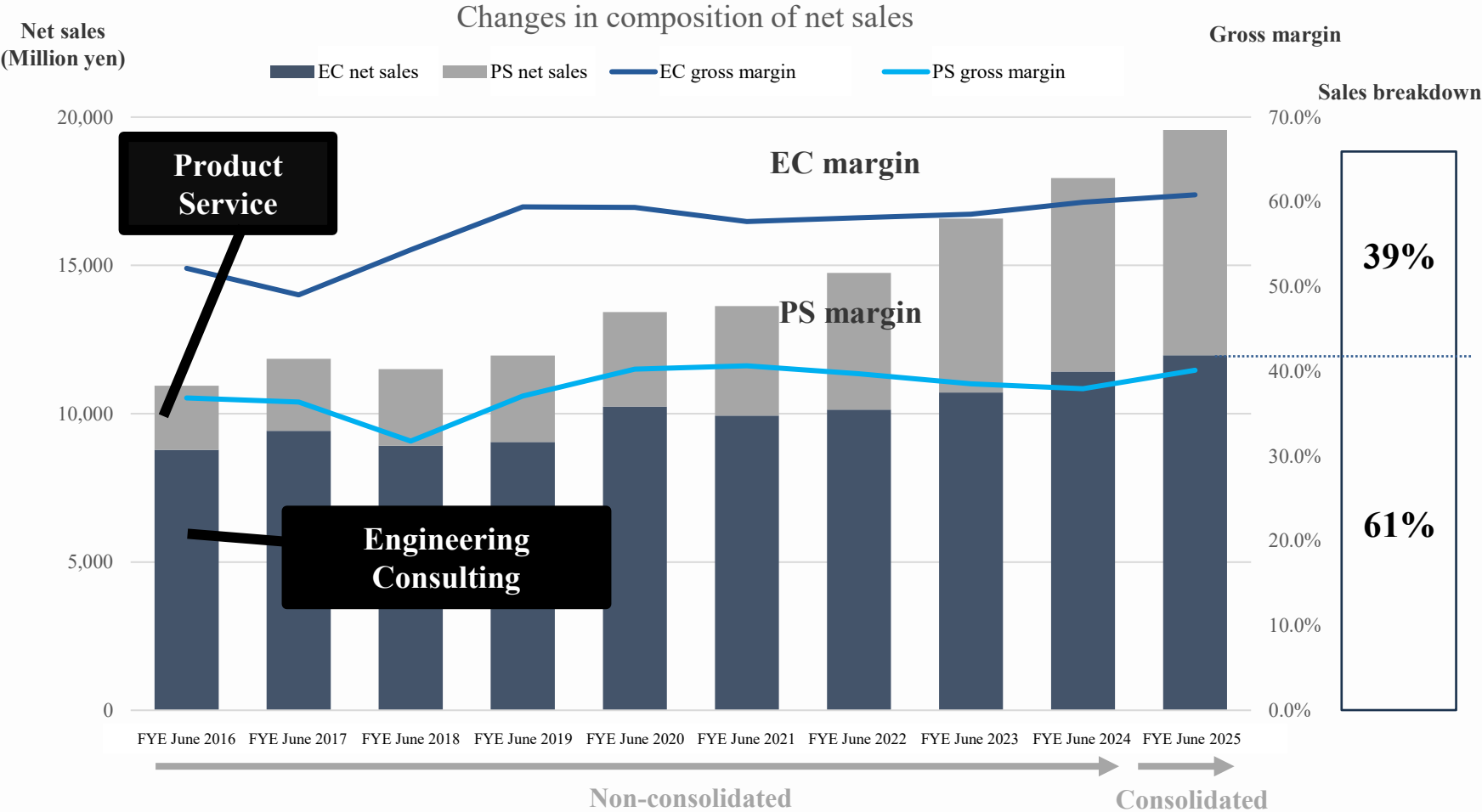
* Products developed in-house and sold externally



- Progress was achieved with a growth rate of over 30%, in line with the cloud service provision-type business plan. This drove sales growth while also helping to improve the profit margin
- Ongoing progress has been made with RemoteLOCK installations at accommodation facilities and local governments, and with NavVis, customer cloud usage has expanded due to accelerating provision of measurement services in collaboration with partners

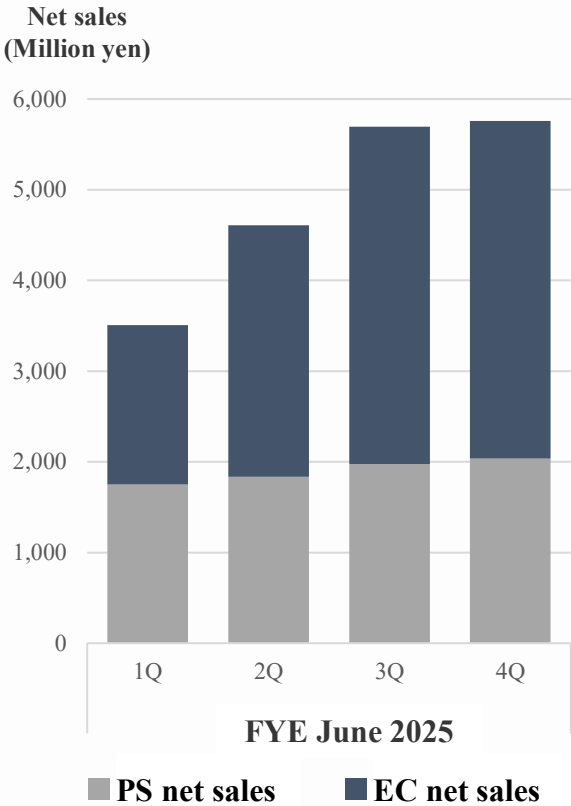
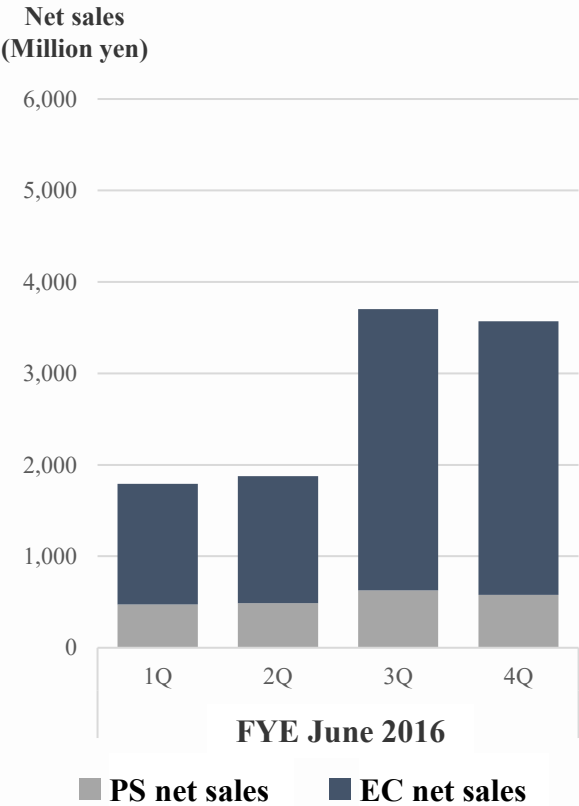
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Consistently high profitability from engineering consulting enables the launch of new businesses



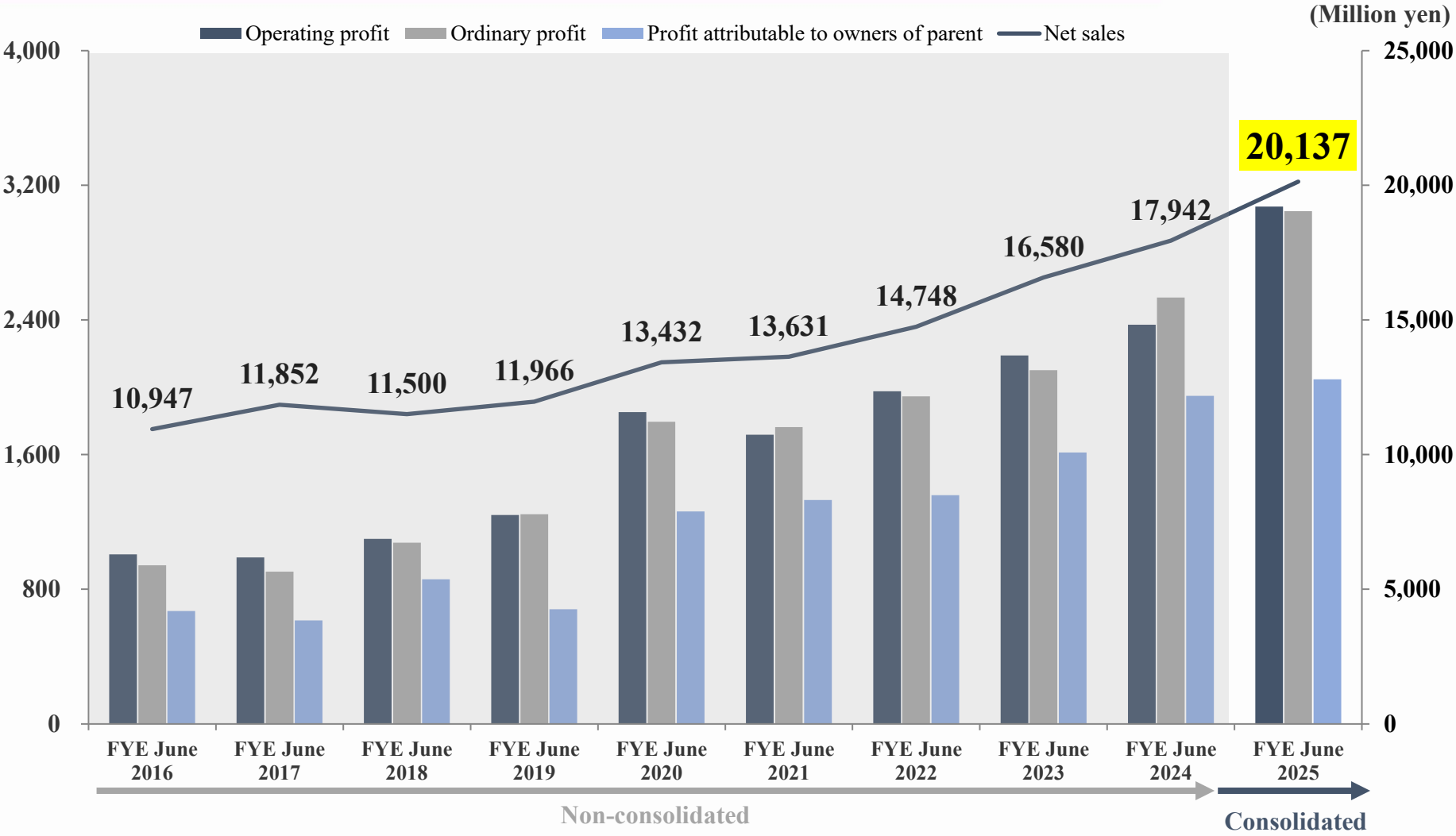
* Up to FYE June 2024, figures for KOZO KEIKAKU ENGINEERING Inc. are listed.

The second-half sales bias in engineering consulting eased, and the increase in Product Service sales helped level quarterly sales



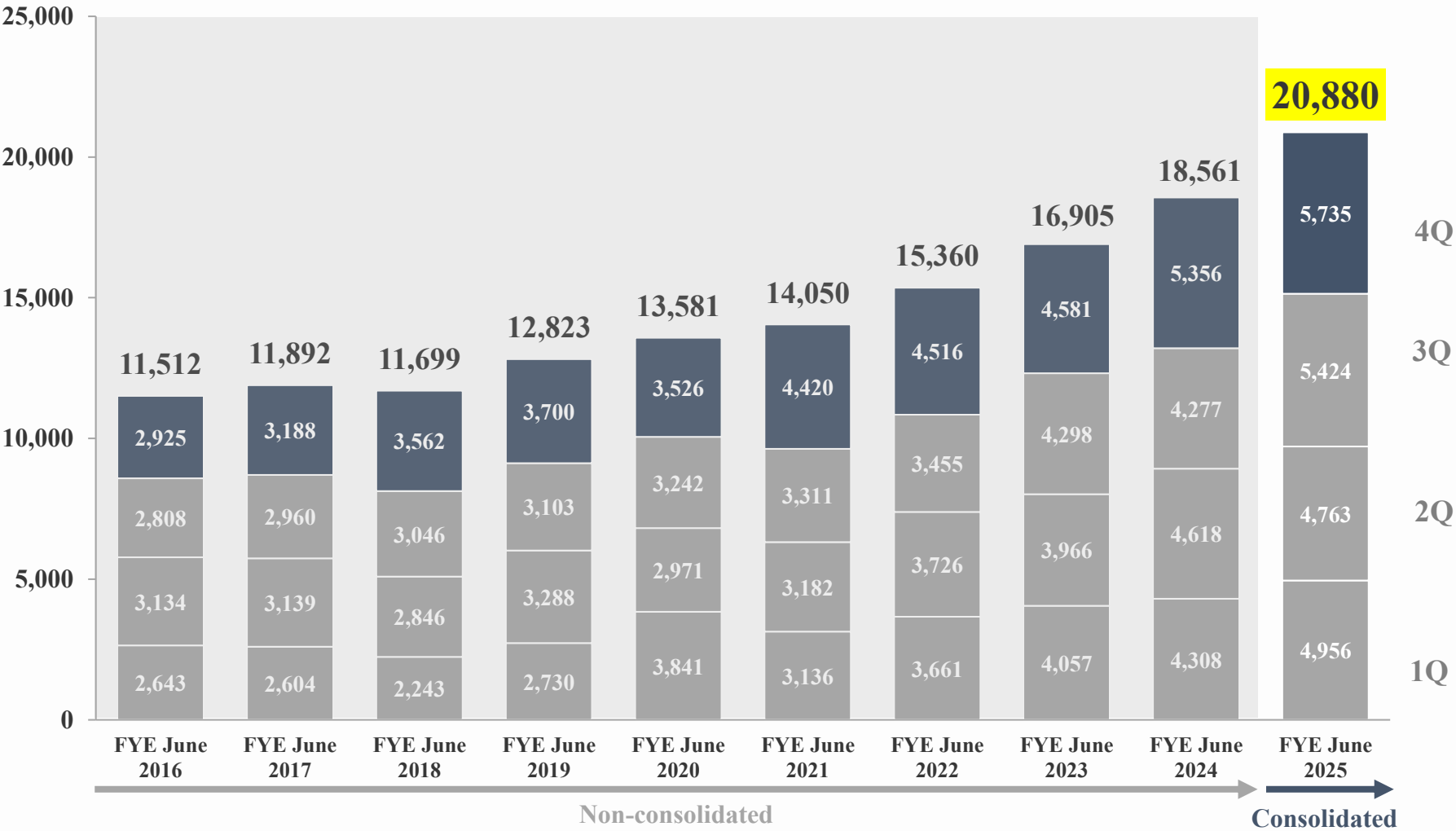
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Year-to-Year Trend in Financial Results

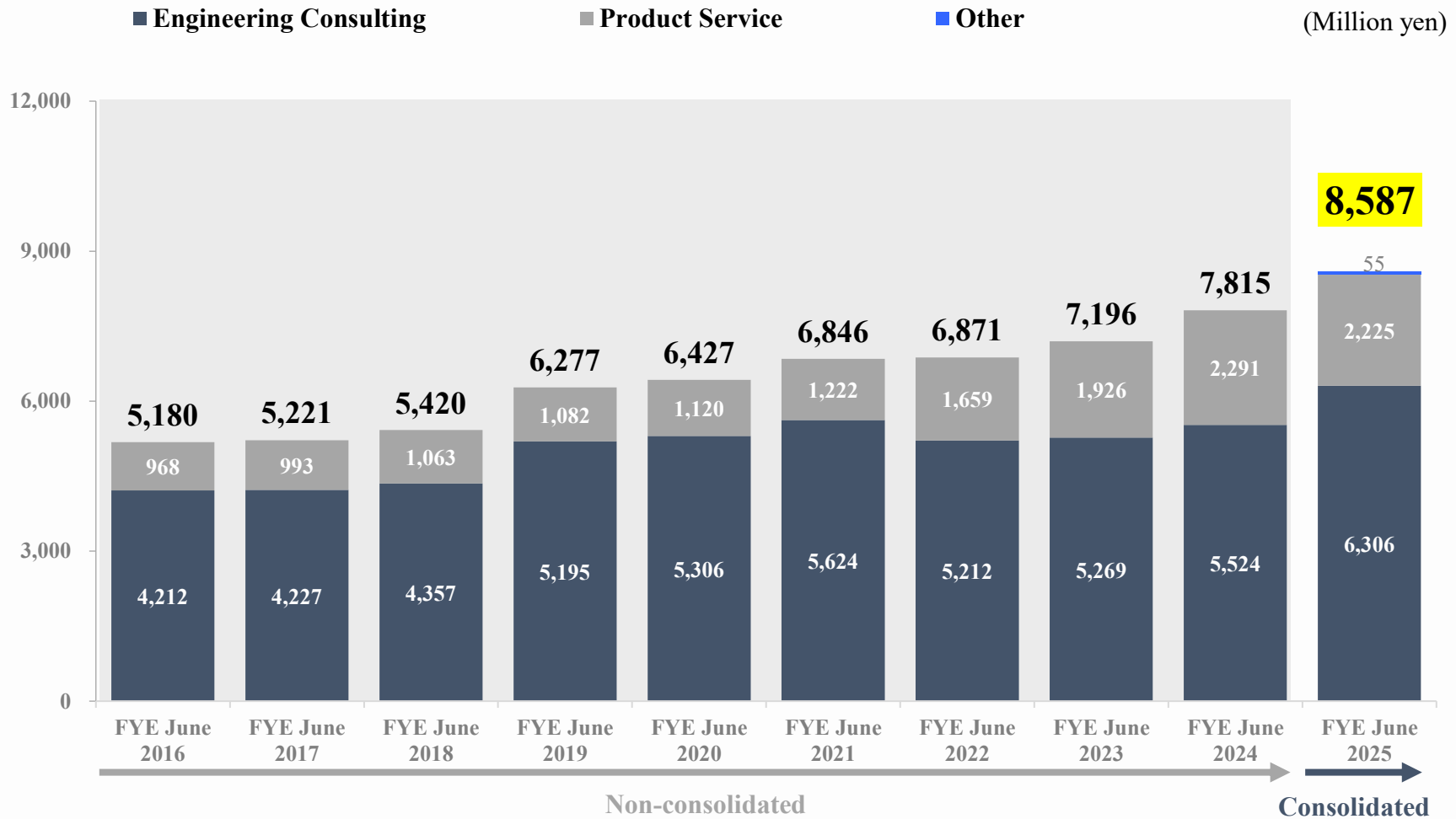


* Up to FYE June 2024, figures for KOZO KEIKAKU ENGINEERING Inc. are listed.

(Million yen)

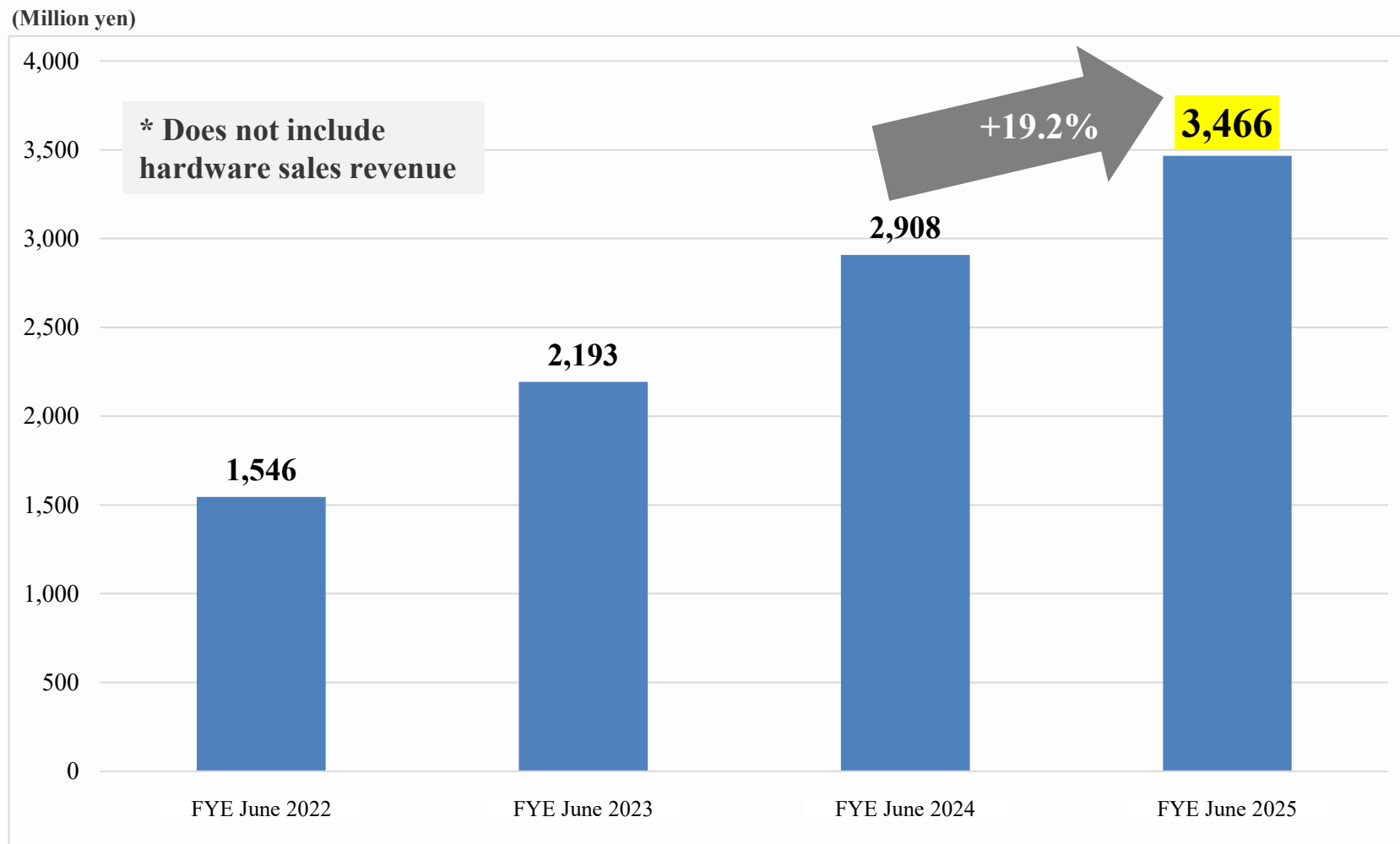


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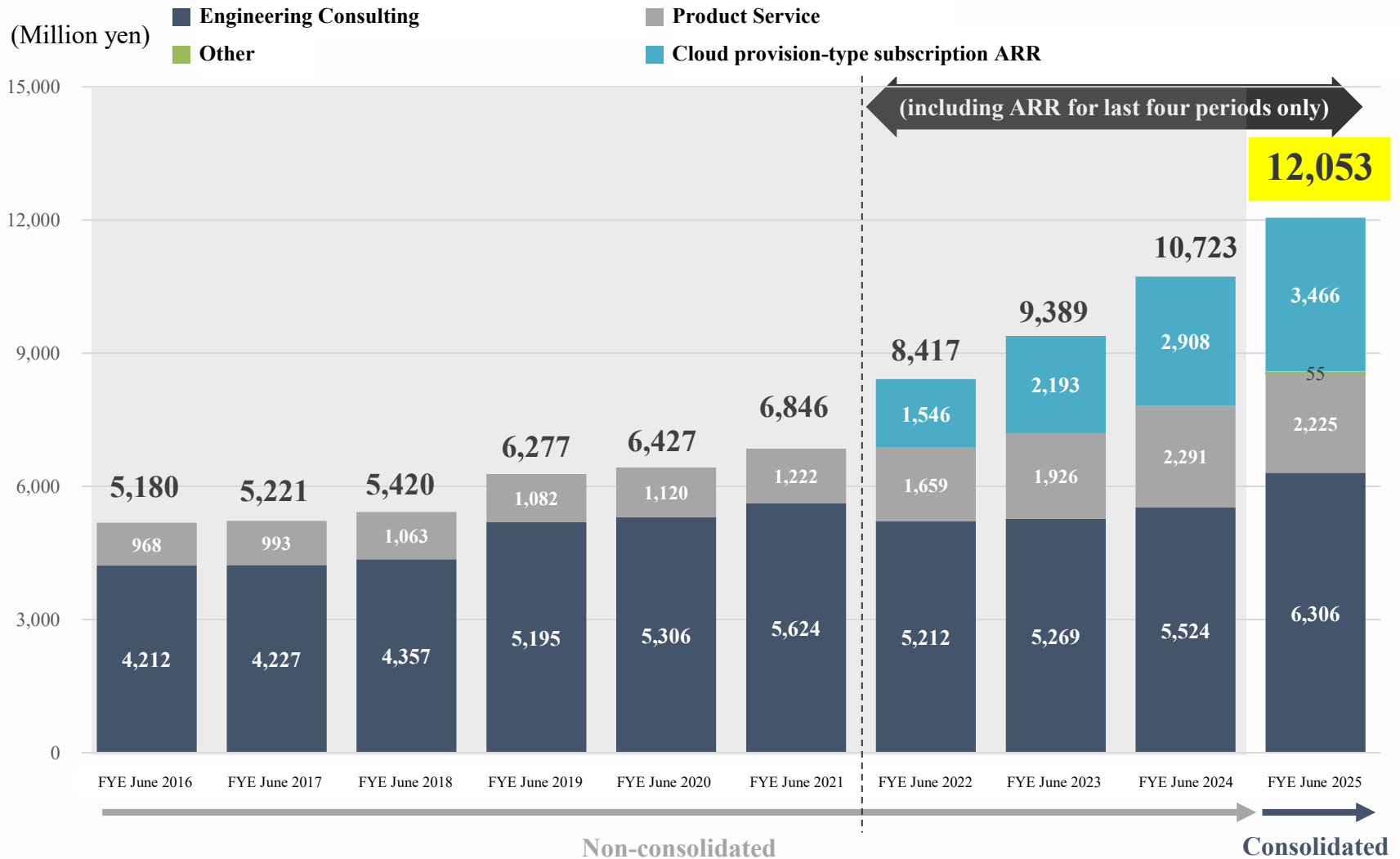


* Up to FYE June 2024, figures for KOZO KEIKAKU ENGINEERING Inc. are listed.

Subscription Revenue from the Cloud Service Provision-type Business



(Reference) Consolidated Backlog of Orders (by Segment) + ARR



* Up to FYE June 2024, figures for KOZO KEIKAKU ENGINEERING Inc. are listed.

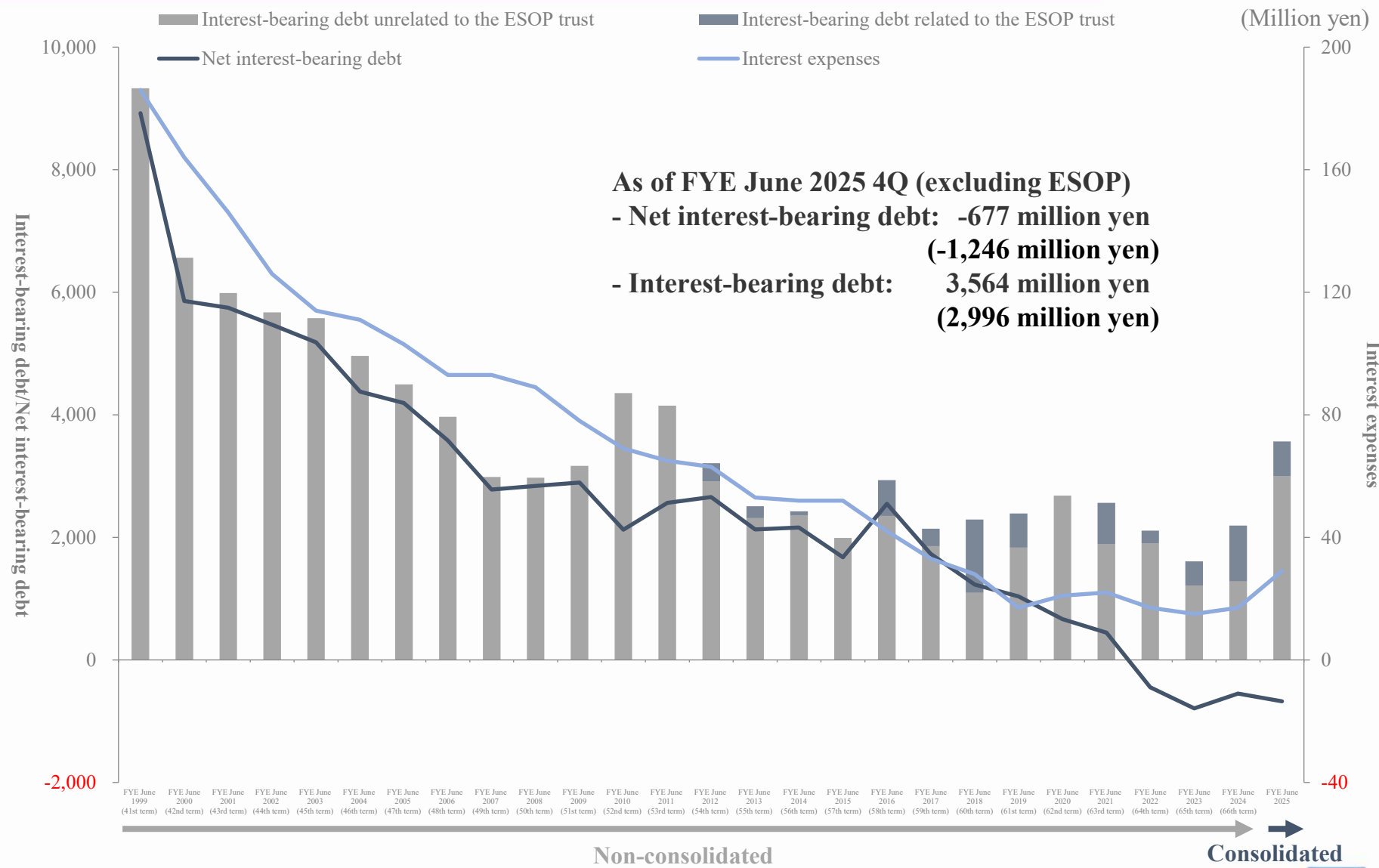
Overview of Consolidated Balance Sheet

(Million yen)

Item	FYE June 2025 (Consolidated)	Item	FYE June 2025 (Consolidated)
Cash and deposits	4,242	Short-term borrowings	-
Notes / accounts receivable - trade and contract assets	3,085	Current portion of long-term borrowings	766
Work in process	46	Advances received	1,653
Other	2,068	Accrued expenses	2,302
		Other	2,111
[Current assets]	9,444	[Current liabilities]	6,833
Property, plant and equipment	6,192	Long-term borrowings	2,798
Intangible assets	289	Retirement benefit liability	1,723
Investments and other assets	6,141	Other	543
Investment securities	4,239	[Non-current liabilities]	5,065
Shares of subsidiaries and associates	35	[Liabilities]	11,898
Investments in capital of subsidiaries and associates	57	Capital	1,010
Deferred tax assets	1,337	Capital surplus	1,408
Other	470	Retained earnings	7,819
[Non-current assets]	12,623	Treasury shares	-892
		Accumulated other comprehensive income	748
		Non-controlling interests	74
		[Net assets]	10,168
[Assets]	22,067	[Liabilities and net assets]	22,067

Equity ratio: 45.7%

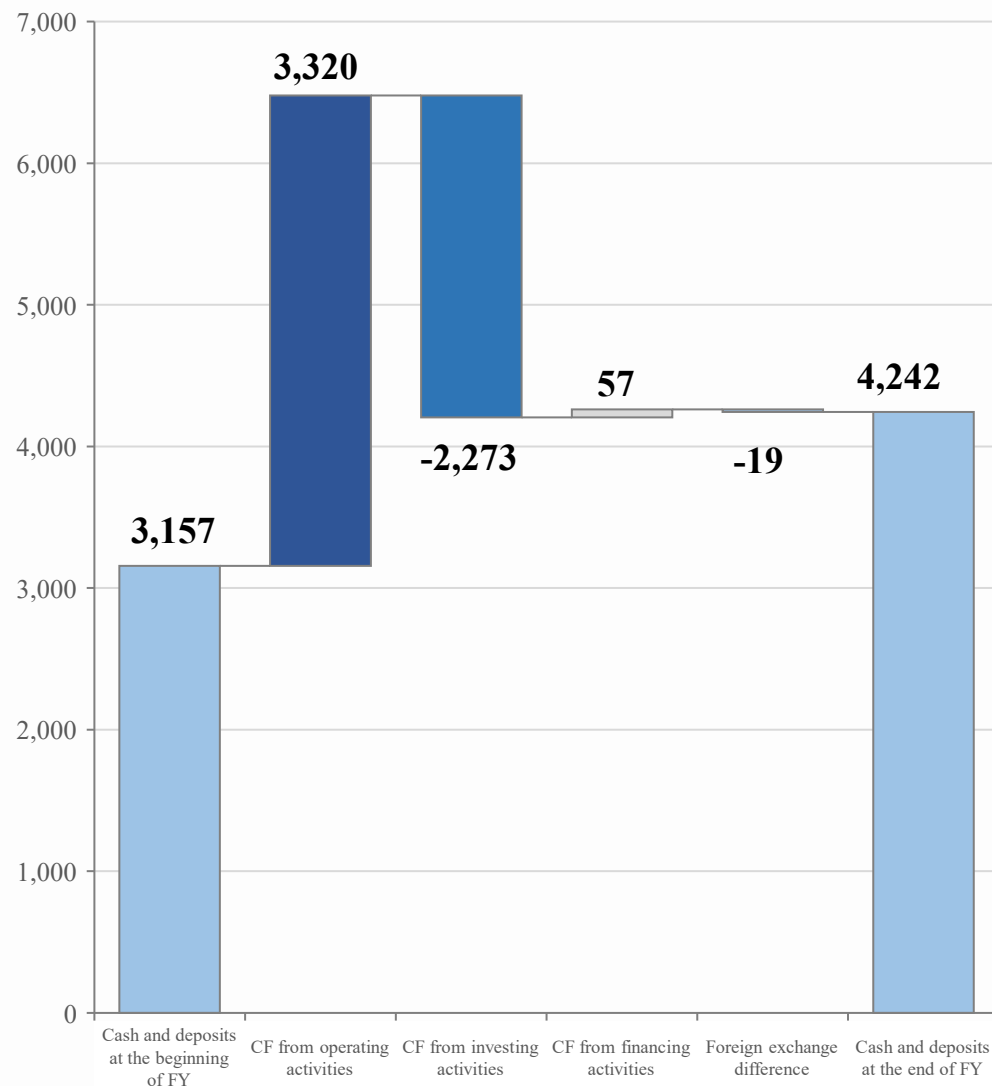
(Reference) Changes in Net Interest-Bearing Debt



(Million yen)

	FYE June 2025 (Consolidated)
Balance at the beginning of FY	3,157
CF from operating activities	3,320
CF from investing activities	-2,273
Free CF	1,047
CF from financing activities	57
Foreign exchange difference	-19
Balance at the end of FY	4,242

(Million yen)



Breakdown of CF from operating activities

- Profit before income taxes	3,015
- Depreciation	375
- Increase in accrued expenses	344
- Decrease in prepaid expenses	155
- Decrease in trade receivables	85
- Increase in advances received	73
- Increase in deposits received	55
- Increase in provision for share-based payments	53
- Income taxes paid	-683

Breakdown of CF from investing activities

- Purchase of investment securities	-1,435
- Purchase of property, plant and equipment	-735
- Purchase of intangible assets	-75

Breakdown of CF from financing activities

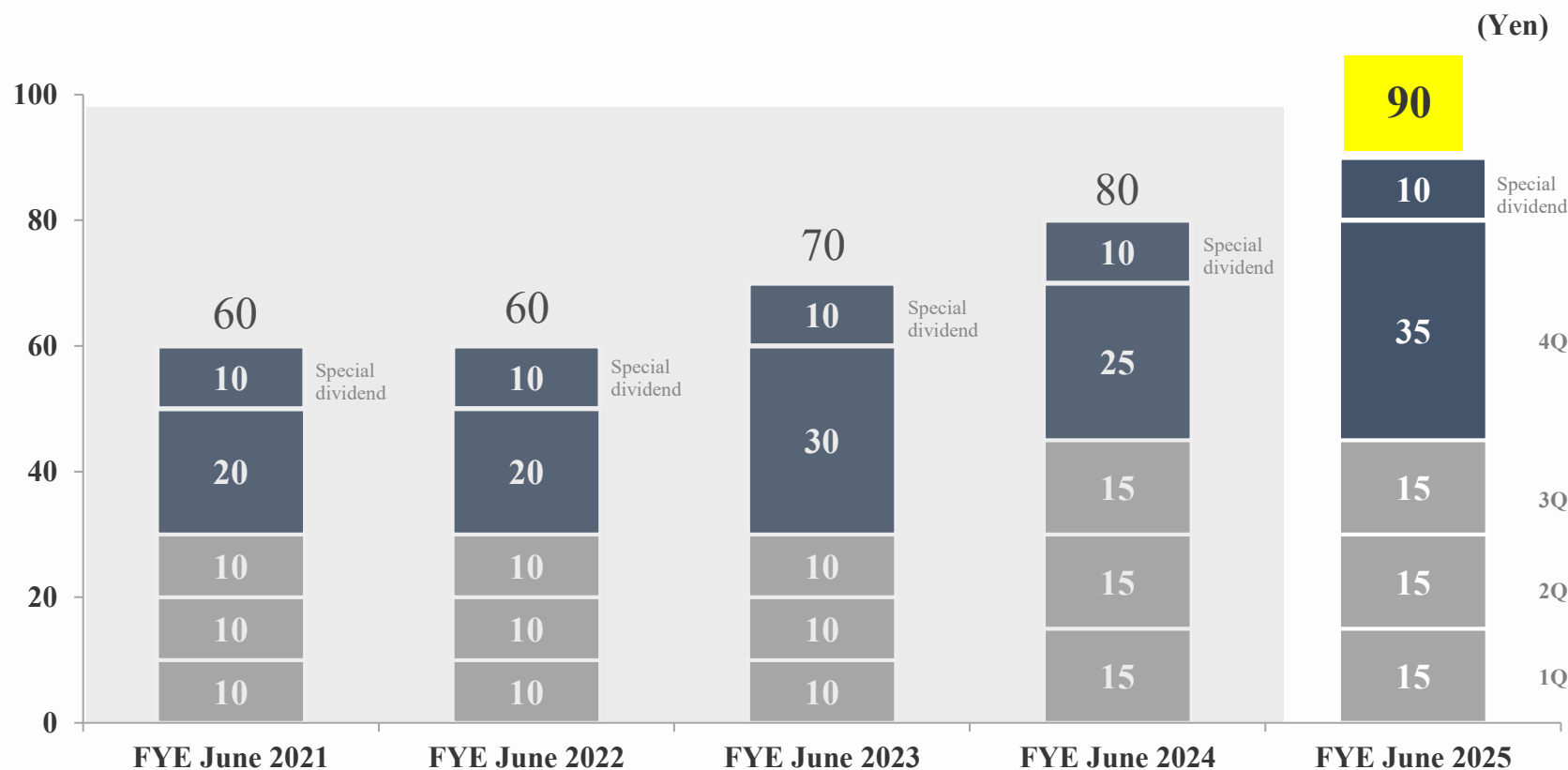
- Proceeds from long-term borrowings	2,400
- Repayments of long-term borrowings	-1,050
- Payments for purchase of treasury shares	-749
- Proceeds from disposal of treasury shares	339
- Dividends paid	-872

Basic Policy on Profit Distribution

- Paying continuous and stable dividends while taking into account the needs for internal reserves for the strengthening of management base and future business development

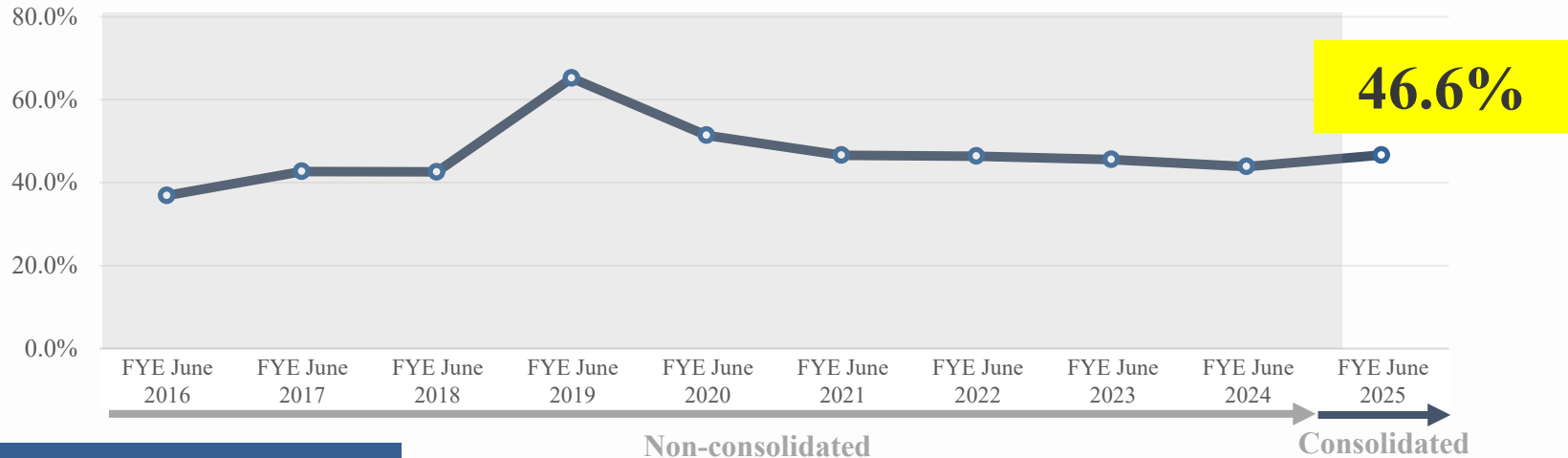
Targets	Consolidated payout ratio	Approx. 50%
	Consolidated DOE (dividends on equity ratio)	Approx. 8%

Formula: Consolidated DOE = $\frac{\text{Dividend per share}}{\text{Consolidated net assets per share}}$

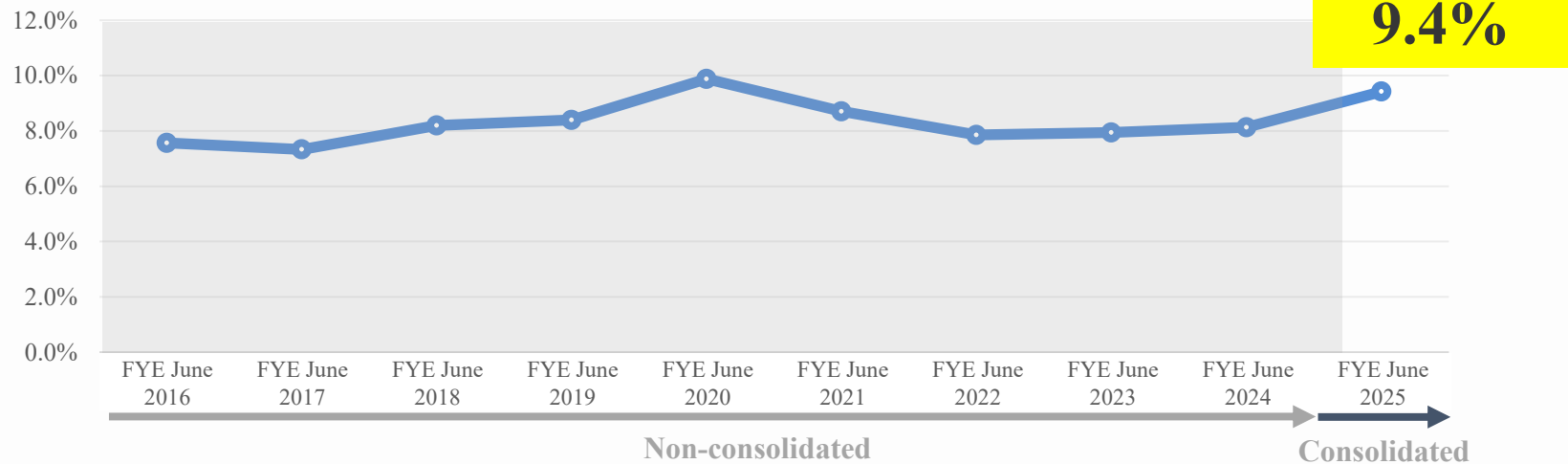


*1. Up to FYE June 2024, figures for KOZO KEIKAKU ENGINEERING Inc. are listed.
*2. A stock split (1:2) was carried out with a record date of February 28, 2025.
Due to the split, all dividend-per-share amounts are listed as the equivalent post-split amounts.

Dividend payout ratio



DOE



* Up to FYE June 2024, figures for KOZO KEIKAKU ENGINEERING Inc. are listed.

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Forecast of Financial Results for the Fiscal Year Ending June 30, 2026



For the KKE Group's continuous growth, it is vital to gather and develop competent collaborative professionals.

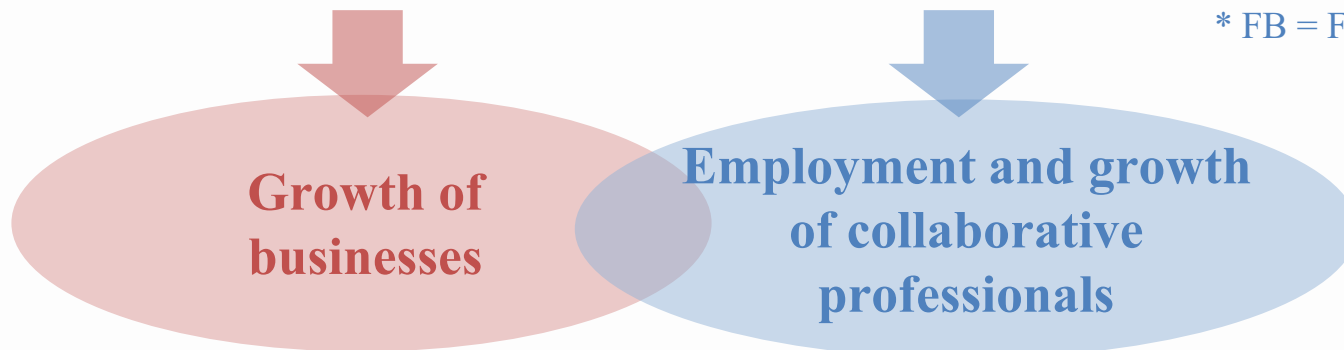


Our management indicators

Total added value

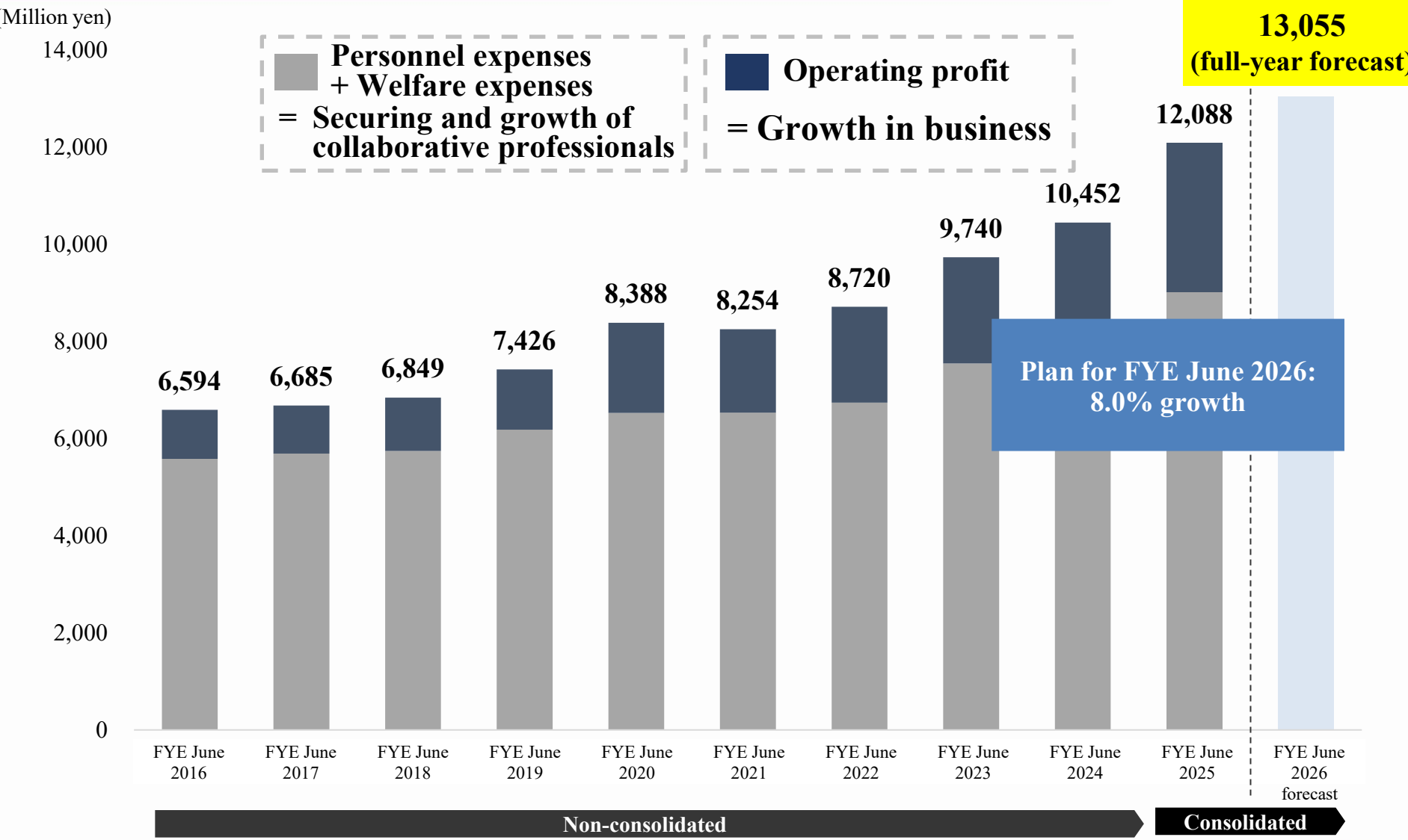
= **Operating profit** + **Personnel expenses** + **Welfare expenses (FB*)**

* FB = Fringe benefits

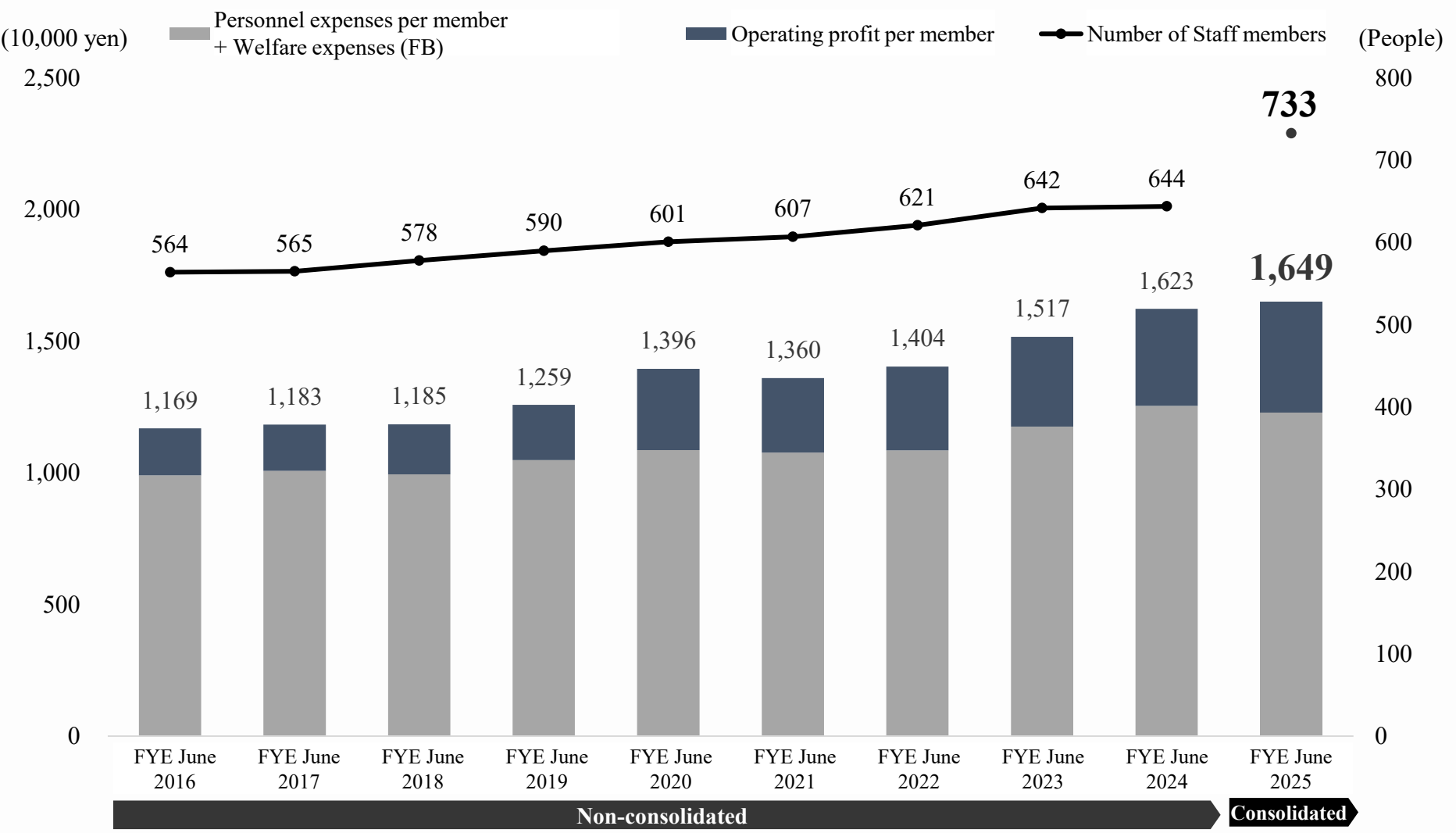


We have adopted a management goal of achieving annual growth of approx. 8% on a medium- to long-term basis.

Changes in the Total Added Value over the Past 10 Years



Change in Total Added Value Per member



Policy

- Issuing stable dividends is of the utmost importance from the perspective of enhancing shareholder value
- We will further clarify our shareholder return approach to shareholders who have held the Company's shares over the long term
- We seek to achieve more enhanced and stable shareholder returns that are less influenced by short-term fluctuations in operating results

Previous Target

Consolidated payout ratio
Approx. **50%**

Consolidated DOE
Approx. **8%**



New Target

Consolidated DOE
Approx. **10%**

Forecast of Financial Results for the Fiscal Year Ending June 30, 2026

(Million yen)

	FYE June 2025	FYE June 2026 Forecast	Change	Rate of change from previous FY
Net sales	20,137	22,500	2,362	11.7%
Operating profit	3,073	3,400	326	10.6%
Ordinary profit	3,046	3,350	303	10.0%
Profit attributable to owners of parent	2,048	2,300	251	12.3%
Annual dividend	90	90		

* A stock split (1:2) was carried out with a record date of February 28, 2025.
Due to the split, annual dividend amounts are stated based on the post-split levels.

3

Aiming to Build a Better Society



Our Roots: Beliefs at the Core of Our Management

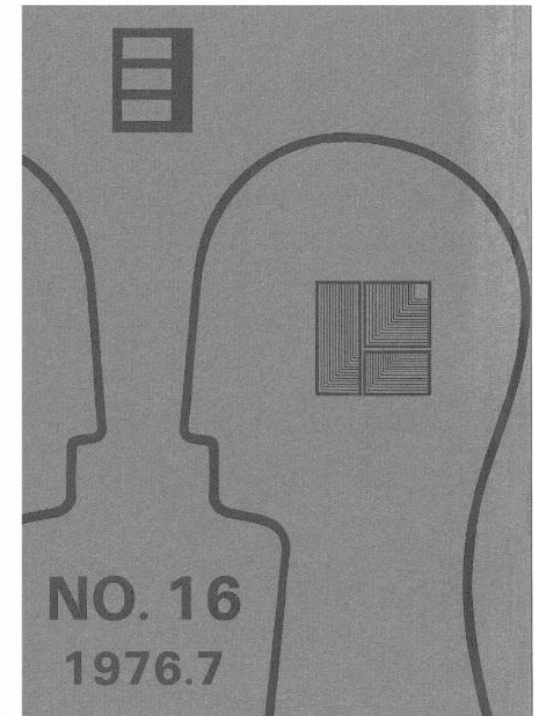
Above all, the ultimate goal of the efforts we make is to engage in study, and to that end, rather than being a research institute dependent on national funding, we will earn on our own and learn on our own.

That is the challenge, and the uniqueness, inherent in Kozo Keikaku's very being.

We are not about the pursuit of profit, striving to become a large company or highly profitable.

Money comes and goes.

I am of the firm belief that a person of good character and broad academic knowledge will never struggle financially.



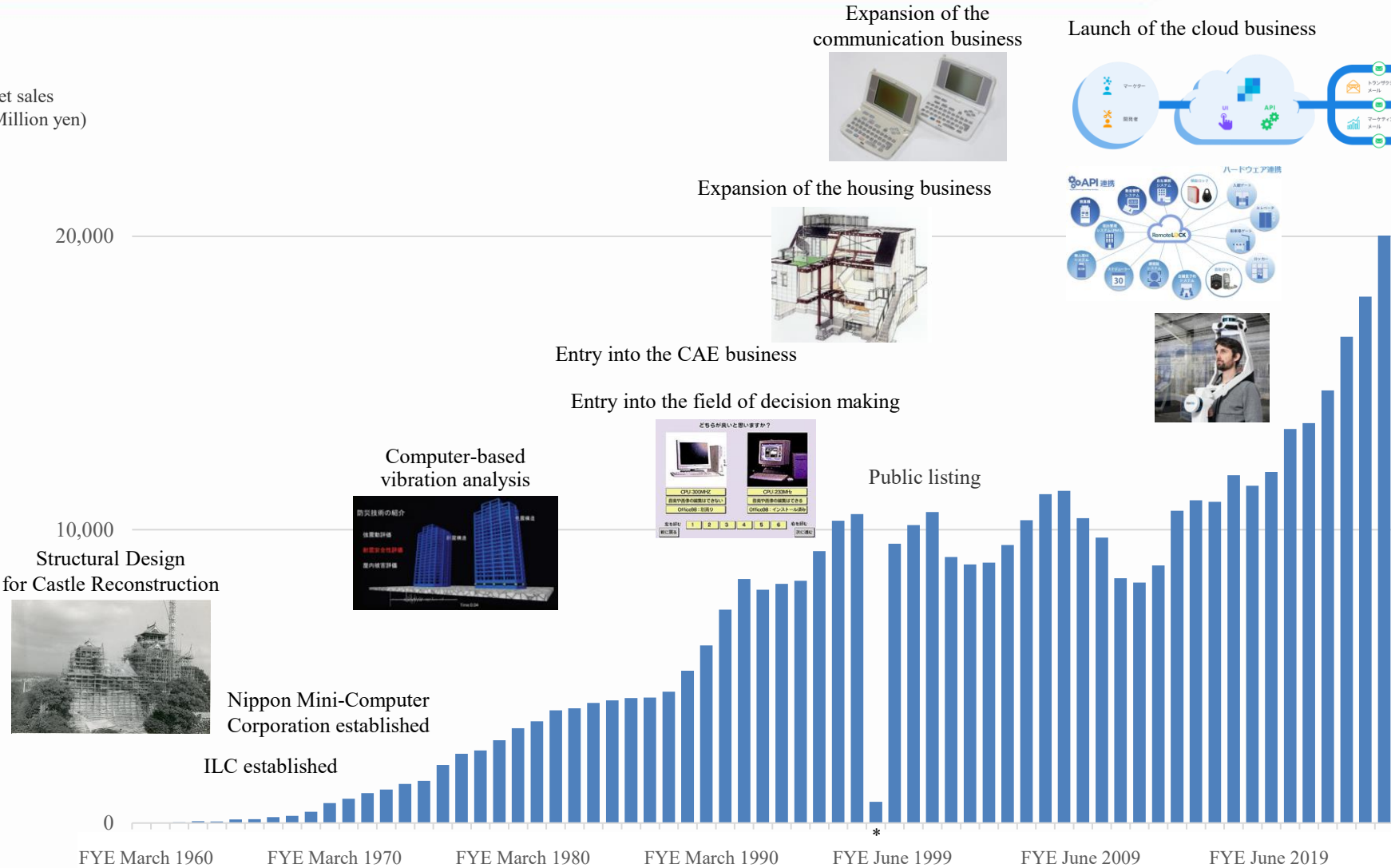
July 1976 Company Newsletter *Eyes*, "Interview with the Director"

- ◆ **Public, virtue, dignity, and style**
- ◆ **Respect for academic study**
- ◆ **Network of human connections**
- ◆ **Grow through friendly competition with colleagues and friends**
- ◆ **Mentality of “making money is not the only thing in life”**

The Pathway to Embodying Our Beliefs: Business Development and Achievements

Our Changing Business Portfolio

Net sales
(Million yen)

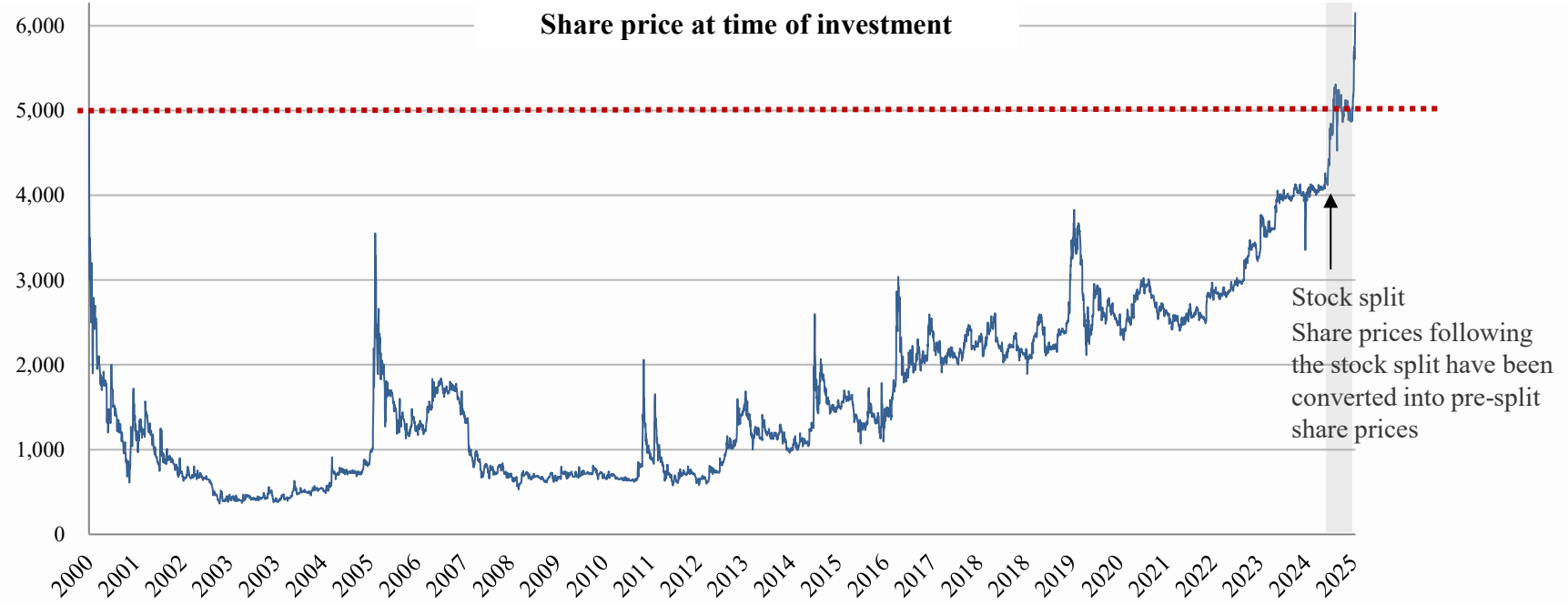


Performance Results Due to Long-term Possession of Shares: Average Annual Growth Rate (Pre-stock Split Basis)

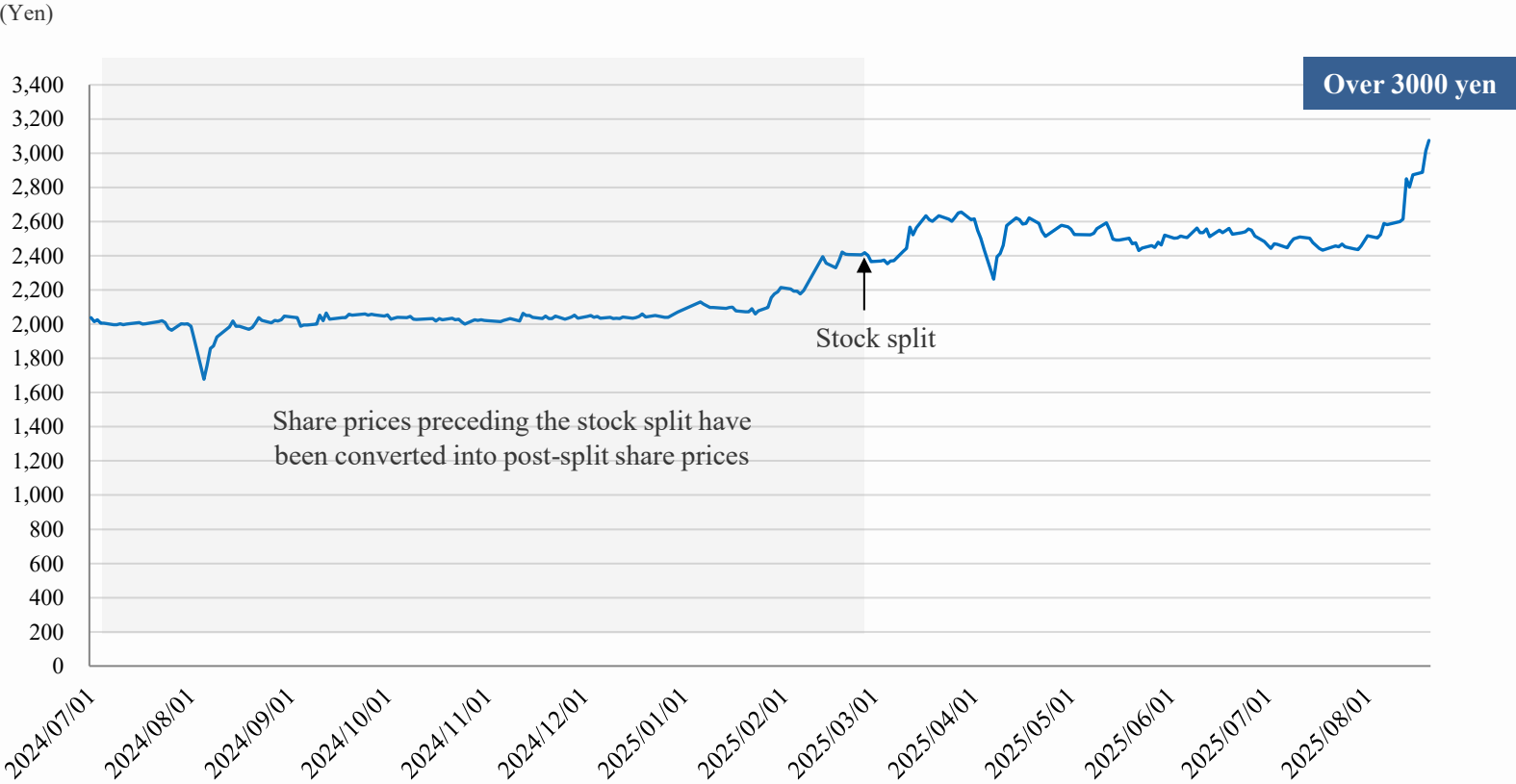
Multiples from the time of investment	Average annual growth rate	KKE	Nikkei Stock Average
8.8 times during 20 years from 2005	20 years	10.1%	6.5%
9.3 times during 15 years from 2010	15 years	14.3%	10.2%
4.0 times during 10 years from 2015	10 years	12.6%	7.2%
2.2 times during 5 years from 2020	5 years	13.5%	12.7%

(Yen)
7,000

Total amount of dividends after investment + (current share price - share price at time of investment) + share price at time of investment



Performance Results for FYE June 2025 (Post-stock Split Basis)



**It was not a strategic business transformation,
nor something that developed by design.**

At every stage we have been grounded in the desire to:

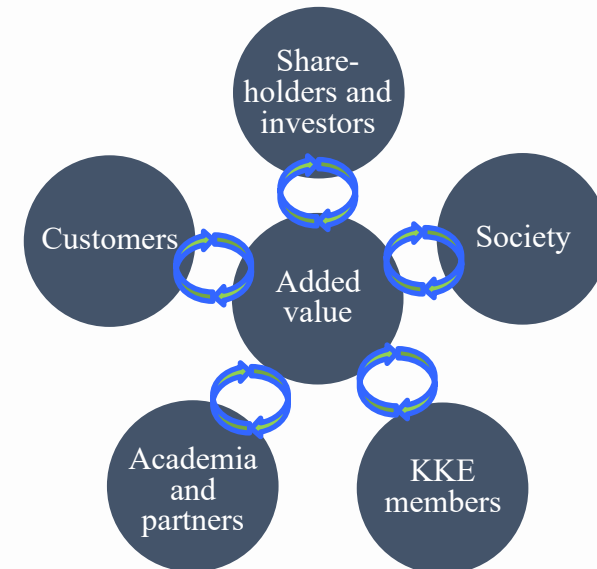
- **Provide the world with useful things**
- **Contribute to the development of various sectors**



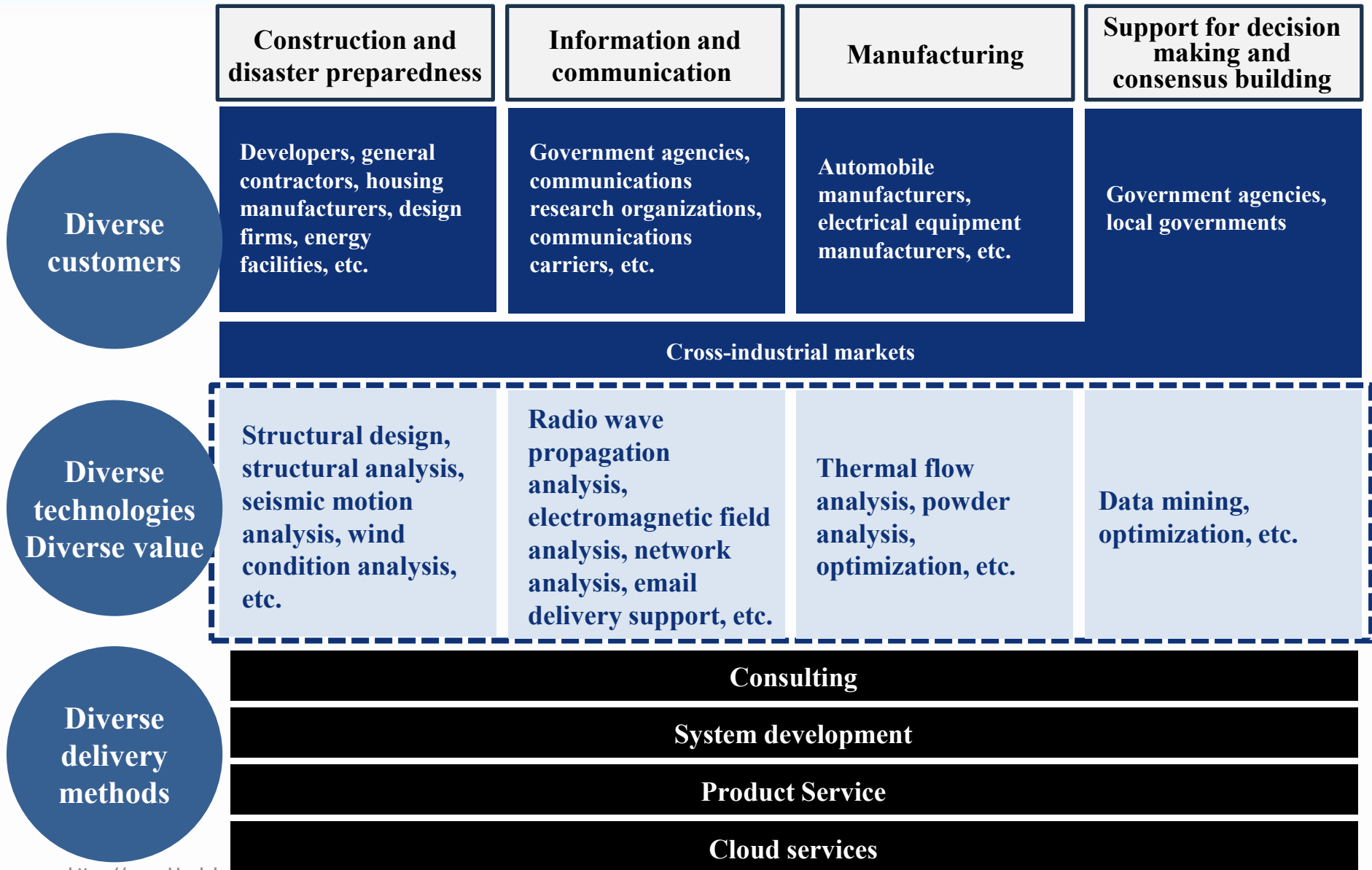
**By working diligently as professionals who embrace this desire,
we have been blessed with fortunate encounters**

- **Requests from customers and society**
- **Collaboration with academia**
- **Relationships with various partners**
- **Participation and growth of various KKE members,
and the provision of opportunities to support them**

**→ Building relationships founded on trust,
not just mutual interests**



Dynamic Business Evolution



1985

1990

1995

BEASY

➤ Start of CAE for manufacturers

Our interest was piqued by the prospect of shifting from the finite element method to the boundary element method



However, we withdrew after failing to gain traction

Applied Structure

➤ Start of CAE for designers

Revolutionary software solving the pains of the finite element method

- We achieved steady growth from the first year
- However, the software developer was bought out
- Acquiring company began sales in Japan
→ decline in KKE sales

Withdrew after five years

An opportunity to provide
CAE for designers

2000

2005

FloWorks

➤ Encounter with NIKA

Came into contact with NIKA USA* via our San Francisco office

* Germany: HQ, USA: Sales, Russia: Development

Acquired exclusive domestic distributor rights in 2000

Steady domestic sales

We identified with the idea of committing to CAE for designers without dealing with CAE packages that are difficult to handle (agreed with the idea of expanding the CAE user base)

However...

NIKA struggled with sales in the US, and decided to supply SOLIDWORKS as an OEM to effect a comeback

2002: In exchange for giving up exclusive distributor rights in Japan,
we acquired domestic distributor rights for EFD

EFD (now known as Simcenter FloEFD)

➤ One of our current core products

2004: Even after OEM supply, NIKA USA still struggled, and was eventually dissolved

2000

2005

EFD (now known as Simcenter FloEFD)

➤ One of our current core products

NIKA Germany Meeting with Mr. Bertram Andreas



- Accepted equity investment
- **Obtained sales rights in Asia for EFD**

Built
trust

However, NIKA was bought out
→ The acquiring company has a sales office in Asia,
leading to the effective loss of sales rights in Asia



Mr. Bertram Andreas



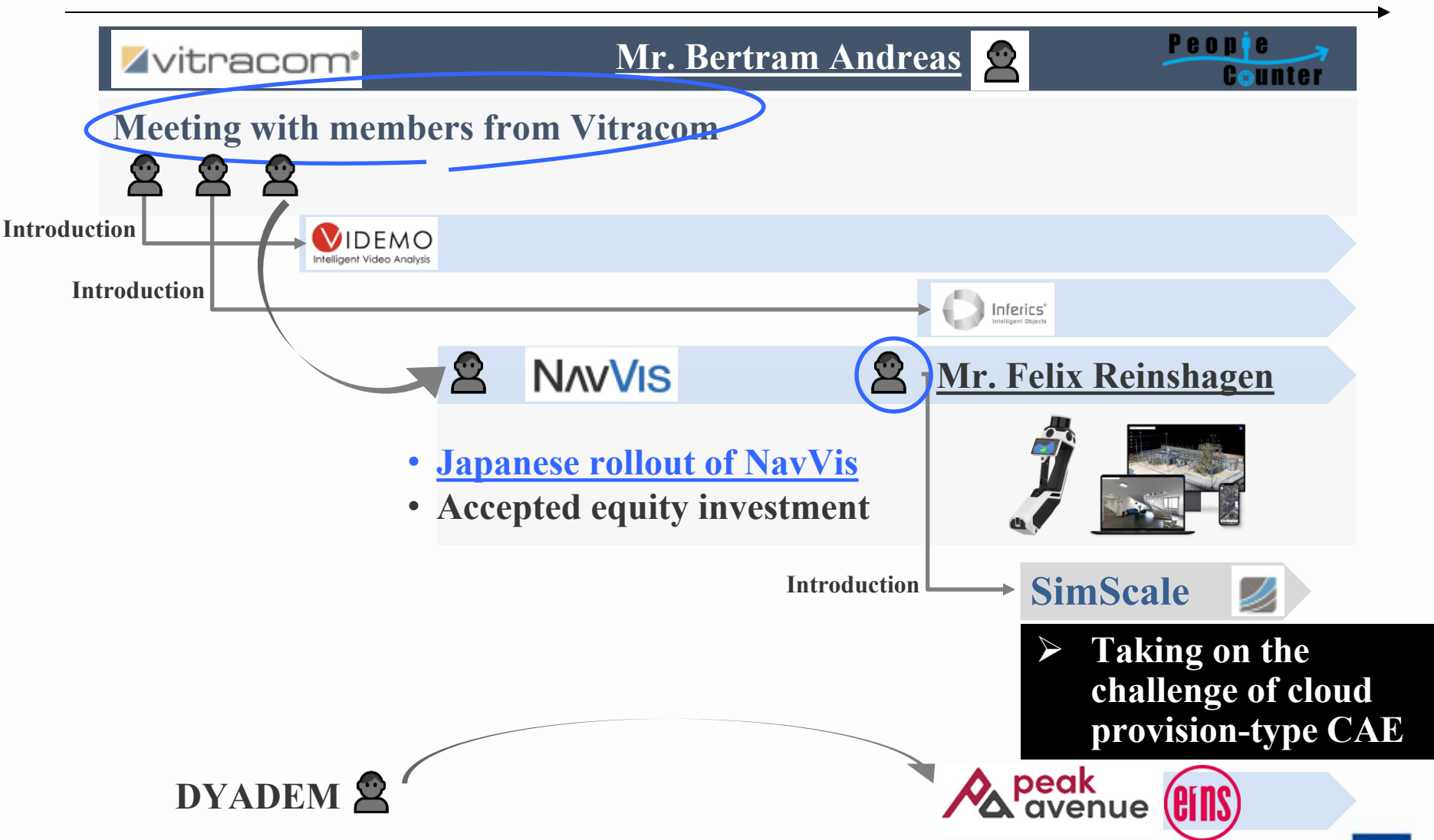
Meeting with members from Vitracom



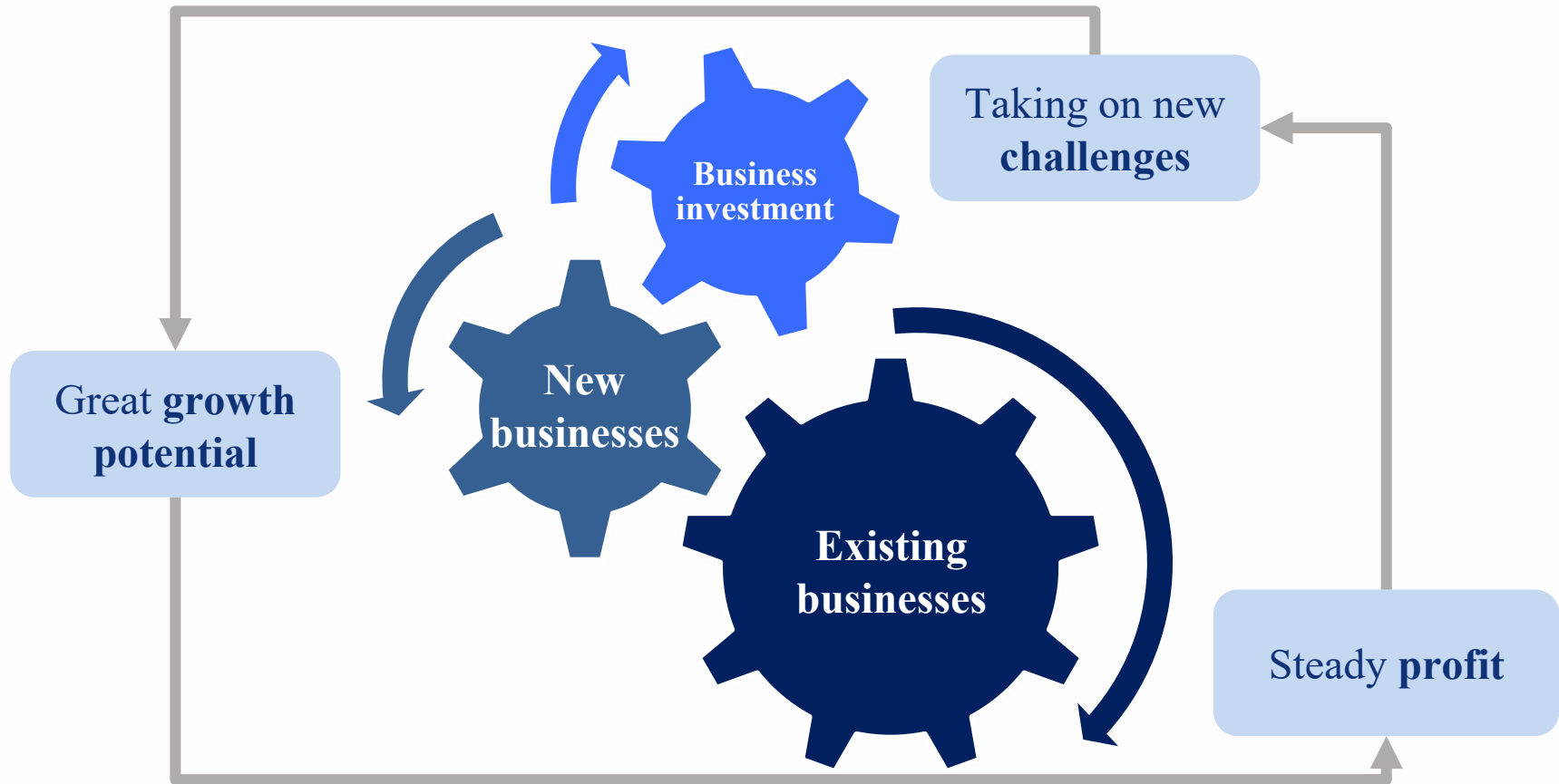
2010

2015

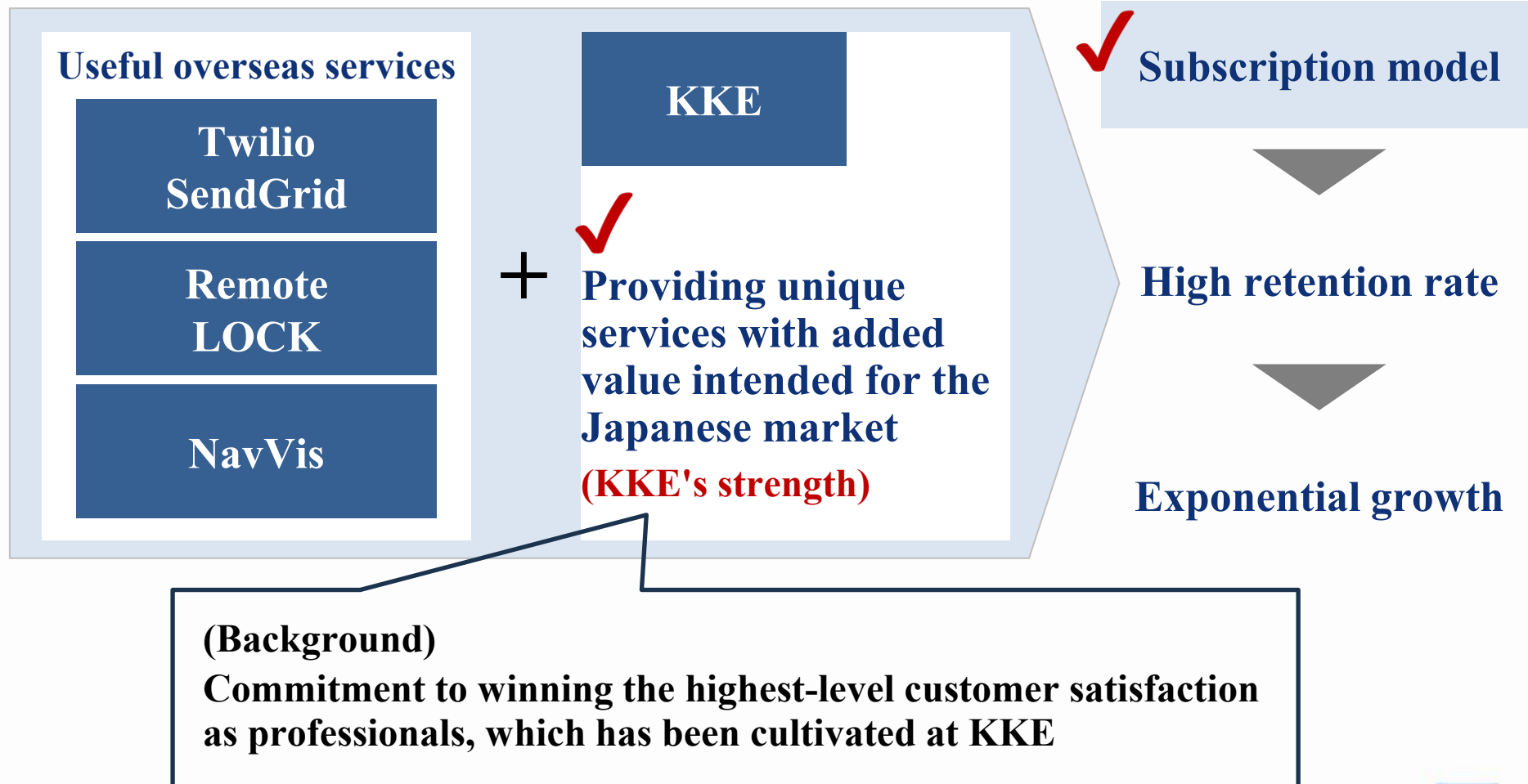
2020



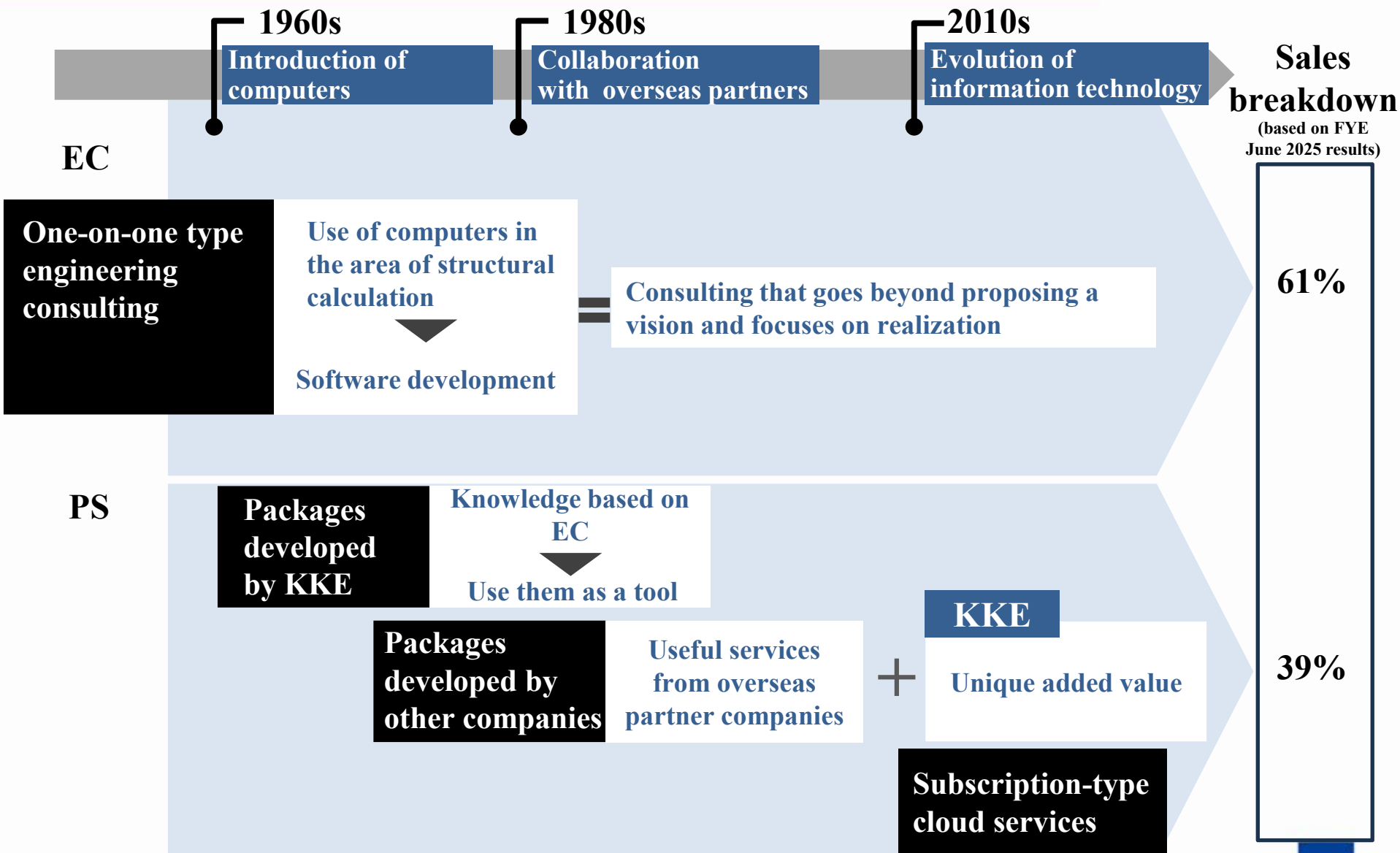
Maintaining the high added value of engineering consulting services and ensuring steady growth supports the strong growth of cloud services and exploration of next-generation businesses



KKE provides unique services with added value intended for the Japanese market. High growth is achieved through synergy between KKE's impressive ability to provide value and subscription model.

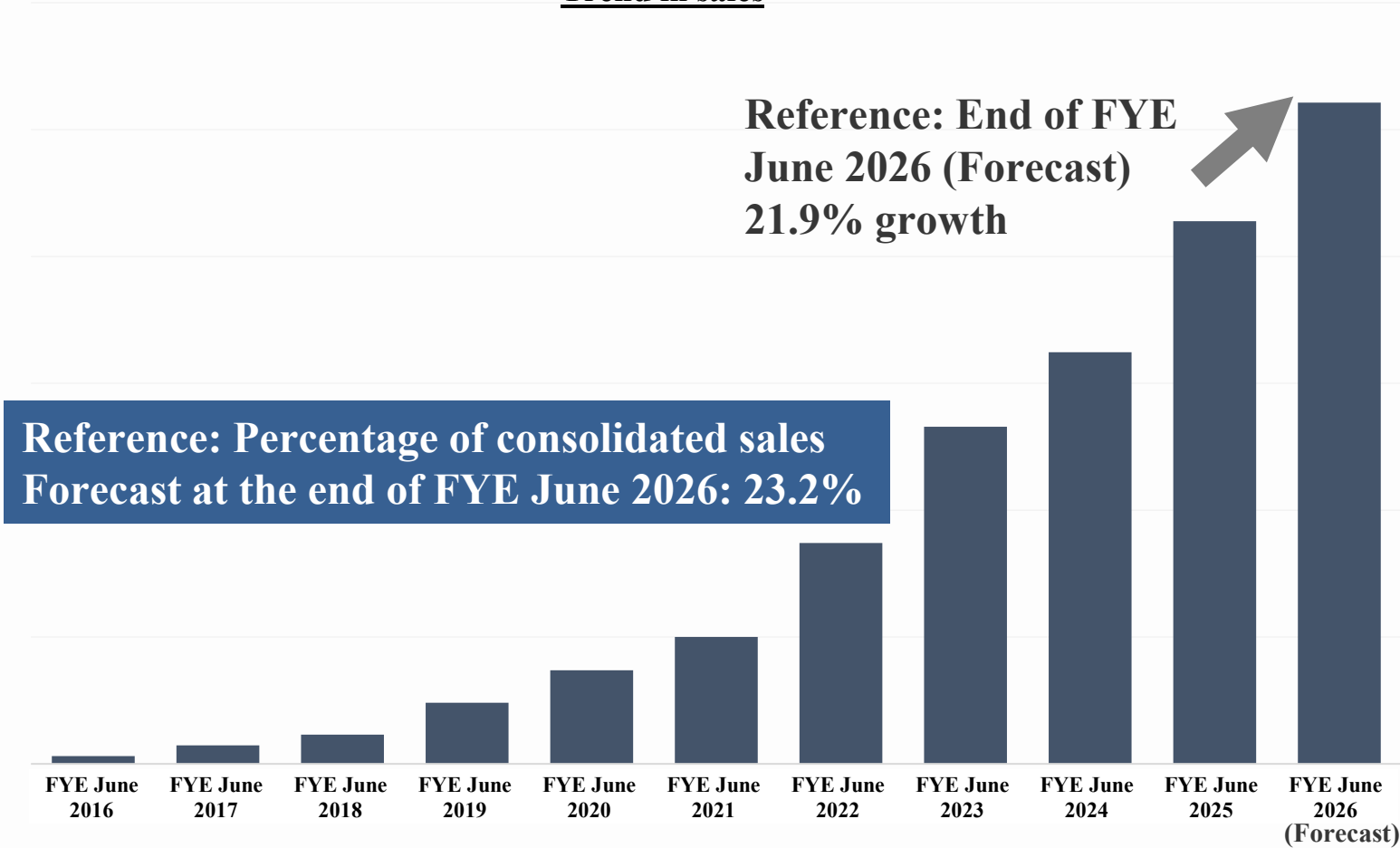


The Expanding Ways Services Are Provided



The three businesses - SendGrid, RemoteLOCK and NavVis - drive growth in Product Service and start to contribute to business stability

Trend in sales



Management Foundation for the Future: Taking on Challenges under a Holding Company Structure

From sales of measurement instruments to consulting and system development utilizing 3D data, KKE provides a series of services for the 3D conversion of sites



Rolling out a range of services from 3D data acquisition to utilization

- Digitizing sites through the sale of measurement instruments and provision of measurement services
- Supporting the global use of 3D data through cloud services
- Responding to customers' individual needs through consulting
- Developing in-house products based on the knowledge gained from consulting activities

- **2013** Developed out of a research project at Technical University of Munich

NavVis

- **From 2015: business alliance**

- **From 2018: capital participation**

2025: 7.5 million €

**Cumulative investment:
21.5 million €**

NavVis

Start of Japanese rollout

- **From 2022: Secondment**

Manufacturing sector:

Digitalization and process improvements for production sites such as automobile plants

Architecture, civil engineering and construction industries:

Maintenance and upkeep of existing structures, streamlining of civil engineering surveying services

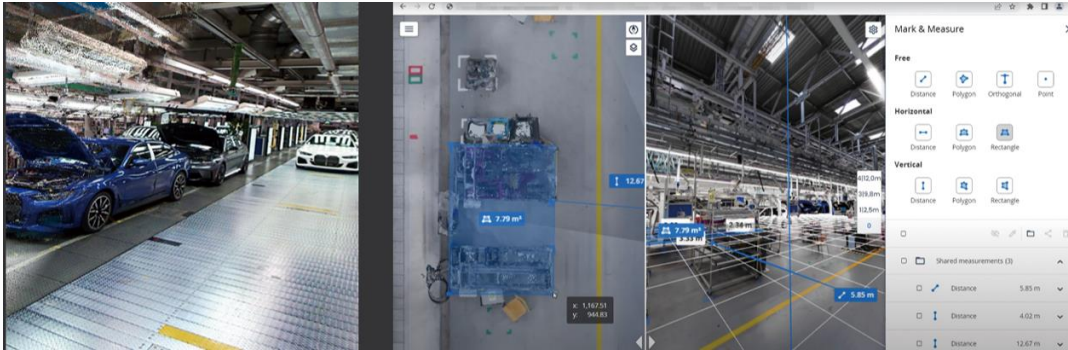
Disaster recovery: Kumamoto Castle, Tokyo Electric Power Company Holdings, Inc.

Start of rollout to the electric power industry

**Feeding back diverse examples of application in Japan to NavVis
→ Technological development, global expansion**

Utilization in the manufacturing sector

Study of layout and other specifications from a remote location with 3D plant modeling



Utilization in plants and architecture

Use of 3D data such as point cloud in existing renovation design



Also utilized in disaster recovery

3D mapping of damage to the main keep of Kumamoto Castle

State of recovery 3D modeled to contribute to maintenance and upkeep



A platform that manages the facility entry of multiple users over the cloud. Collaborative creation with many different partners through open innovation.

Customers

Accommodations

Local governments

Commercial facilities

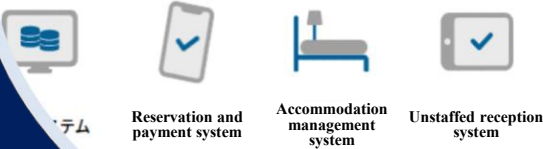
Users

Managing at least 100,000 entries per day

RemoteLOCK

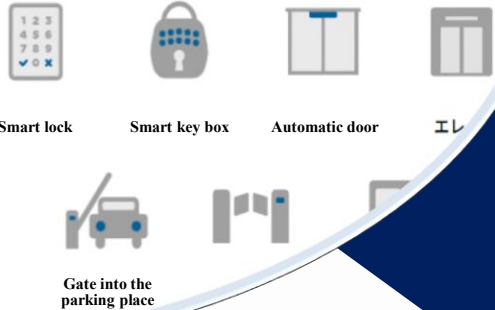
Access management solutions
(Open platform)

System collaboration with different types of services



In coordination with more than 60 open services

Hardware collaboration



Enhanced methods of access



● 2004

LockState

(now RemoteLock)

Founded in Denver, USA

● From 2008: capital participation

● From 2016: Secondment

● From 2017

Japanese rollout of RemoteLOCK

● 2022: Investment by JICT*

Start of rollout for vacation rentals

Open platform

**Taking on the challenge of new
markets with various partners**

- Accommodations
- Local governments
- Commercial facilities

**Over 150,000 units in Japan
and the US combined
→ Global rollout**

**Cumulative investment:
14.92 million \$
Ownership stake: 36.2%
→ equity-method affiliate**

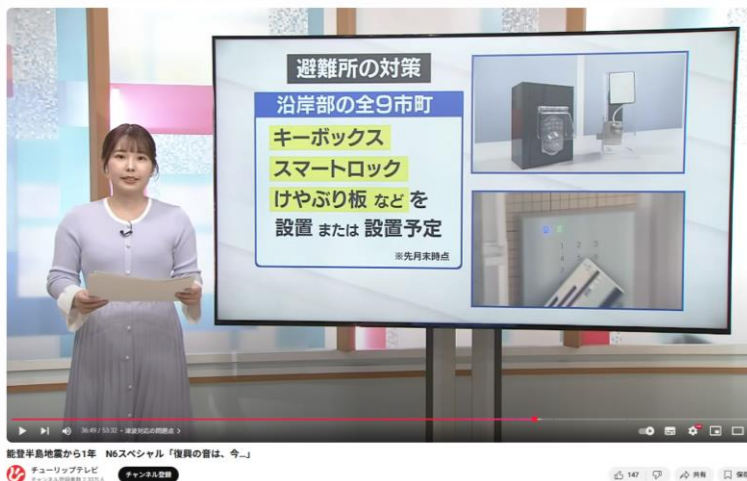
* Public-private fund supervised by the Ministry of Internal Affairs and Communications

Introduced by 142 local governments



令和7年2月市長定例記者会見まとめ動画

Also utilized for disaster preparedness applications



能登半島地震から1年 N6スペシャル「復興の音は、今」

チューリップテレビ
チャンネル登録者 1,200人

Industry-first

Adoption at a large hotel with over 180 rooms



Rollout at universities and other institutions



■ Balancing the continuation of our philosophy with business practice

The holdings company will handle the long-term perspective of carrying on our philosophy into the future, while operating companies will focus on day-to-day operations

■ Optimization for diverse businesses

Providing the best systems and environments for the increasingly diverse characteristics (business models, growth phases) and work styles in each business



Operating as RemoteLock Japan for further growth

Contact

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*Innovating for a **Wise Future***