



Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025

[Japanese GAAP]

February 12, 2025

Company name: Striders Corporation

Listing: Tokyo Stock Exchange
(STANDARD)

Stock code: 9816

URL: <https://www.striders.co.jp/>

Representative: Ryotaro Hayakawa, President

Contact: Hironobu Maehara, General Manager of Finance and Accounting Department

Tel: +81-3-6910-8390

Scheduled date of payment of dividend: -

Preparation of supplementary materials for quarterly financial results: Available

Holding of quarterly financial results meeting: None

(All amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 (April 1, 2024 – December 31, 2024)

(1) Consolidated results of operations (Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Dec. 31, 2024	5,805	2.2	(20)	-	31	33.1	13	388.0
Nine months ended Dec. 31, 2023	5,679	2.8	(10)	-	23	(85.9)	2	(96.5)

Note: Comprehensive income (million yen) Nine months ended Dec. 31, 2023: 16 (up 1.3%)
Nine months ended Dec. 31, 2022: 16 (down 78.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Dec. 31, 2024	1.60	-
Nine months ended Dec. 31, 2023	0.32	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2024	5,154	2,433	47.2	299.43
As of Mar. 31, 2024	4,629	2,540	54.3	304.72

Reference: Shareholders' equity (million yen) As of Dec. 31, 2024: 2,431 As of Mar. 31, 2024: 2,514

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2024	-	0.00	-	5.00	5.00
Fiscal year ending Mar. 31, 2025	-	0.00	-	-	-
Fiscal year ending Mar. 31, 2025 (forecast)	-	-	-	5.00	5.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	7,700	0.3	100	101.2	140	37.6	100	21.2	12.00

Note: Revisions to the most recently announced consolidated earnings forecast: None

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Application of special accounting methods in the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of outstanding shares (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Dec. 31, 2024:	8,912,089 shares	As of Mar. 31, 2024:	8,912,089 shares
----------------------	------------------	----------------------	------------------

2) Number of treasury shares at the end of the period

As of Dec. 31, 2024:	790,499 shares	As of Mar. 31, 2024:	660,359 shares
----------------------	----------------	----------------------	----------------

3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2024:	8,197,051 shares	Nine months ended Dec. 31, 2023:	8,352,577 shares
----------------------------------	------------------	----------------------------------	------------------

* The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

* Explanation of appropriate use of earnings forecasts, and other special items

Cautionary statement with respect to forecasts

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. These materials are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 3 of the attachments "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements."

Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	3
(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements	4
2. Quarterly Consolidated Financial Statements and Notes	5
(1) Quarterly Consolidated Balance Sheet	5
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	7
Quarterly Consolidated Statement of Income	
(For the Nine-month Period)	7
Quarterly Consolidated Statement of Comprehensive Income	
(For the Nine-month Period)	8
(3) Notes to Quarterly Consolidated Financial Statements	9
Going Concern Assumption	9
Significant Changes in Shareholders' Equity	9
Segment and Other Information	10
Notes to Statements of Cash Flows	11
Relation to Revenue Recognition	11
Significant Subsequent Events	11

1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

While the Japanese economy during the third quarter of the current consolidated cumulative period maintained a gradual recovery trend, the situation remains uncertain due to soaring resource and energy prices, rising commodity prices, the global economic slowdown caused by continued U.S. interest rate hikes, and fluctuations in the financial and capital markets.

Under these economic conditions, our group (the Company and its consolidated subsidiaries), playing a role as a gateway connecting Japan and Asia, has been closely monitoring this current macroeconomic environment and has been continuously restructuring its corporate structure since the interim period to be able to respond to changes. In the real estate business, we have strengthened collaboration among administrative divisions and improved operational efficiency following the integration of the headquarters office with that of our subsidiary Trust Advisors Corporation. In the hotel business, we are reviewing costs and business processes in order to respond to changes in the cost structure caused by high prices. We are also strengthening sales activities and deepening cooperation with local companies in order to acquire new profit-earning opportunities. In the investment business, we are moving forward with preparations to launch a new fund in Singapore as part of our efforts to further expand our investment activities.

As a result, for the first nine months of the current fiscal year, there was a 2.2% increase year-on-year in net sales to 5,805 million yen, an operating loss of 20 million yen (compared to an operating loss of 10 million yen one year earlier), a 33.1% increase year-on-year in ordinary income to 31 million yen, a 388.0% increase year-on-year in net income attributable to owners of the parent of 13 million yen.

The performance of each segment is as follows:

1) Real Estate Business

Trust Advisors Corporation currently operates the residential property business that handles leasing services for condominium owners as well as rental and condominium building management on a contract basis. The company also engages in the land agency business that caters for condominium owners' needs for buying and selling properties and Tokyo Apartment Guarantee operates a rent guarantee business.

In the Residence Business, rent levels for sublease rental contracts trended upward and vacancy rates remained low compared with the same period of the previous year, but the number of units under management declined. In addition, one-time expenses associated with the integration of offices with the head office put pressure on operating income, resulting in a decrease in both sales and income.

On the other hand, the rent guarantee business, which functions as a peripheral service of the Residence Business, has been expanding its business scale and stabilizing its profitability, resulting in year-on-year revenue and profit growth, and is becoming a new pillar of the real estate business.

As a result, the real estate business posted net sales of 4,708 million yen (up 2.8% year-on-year) in the first nine months of the current fiscal year due to lower sales in the residential property business and higher sales in the land agency business, while operating income was 138 million yen (down 0.0% year-on-year).

2) Hotel Business

In the hotel segment, we currently operate the Narita Gateway Hotel in the Narita International Airport area and the Kurashiki Royal Art Hotel in the Kurashiki Bikan Historical Quarter in Okayama Prefecture.

Compared to the same period of the previous year, which was a start-up period after the Narita Gateway Hotel shifted from a facility for COVID-19 patients to normal operations in June 2023, the hotel strengthened its sales efforts to capture domestic and international group customers from competition with neighboring hotels. Along with the fall holiday season, occupancy rates and average room prices rose, resulting in an increase in net sales.

However, operating income decreased compared with the same period of the previous year due to the fact that there is still room for profitability improvement in the process of switching from outsourced to in-house management, soaring outsourcing costs, labor costs, and power and utility costs due to recent high prices, and an increase in one-time expenses related to the financing from financial institutions implemented in the current term.

On the other hand, the Kurashiki Royal Art Hotel saw an increase in occupancy rate and a shift to securing occupancy by lowering the average room unit price based on the observed trends of neighboring competitors. Operating income was negative year-on-year despite a decline in the number of food and beverage banquets, a sharp rise in utilities costs due to recent price hikes, and efforts to reform the cost structure by replacing facilities and other measures.

As a result of the combined performance of the two hotels, the segment as a whole posted higher revenues and lower profits, mainly due to an increase in SG&A expenses despite higher sales, with hotel business sales of 866 million yen (up 11.6% year-on-year) and operating loss of 29 million yen (operating loss of 5 million yen in the same period last year) in the first nine months of the current fiscal year.

3) Investment Business

Regarding our group's investment business, M&A Global Partners Co., Ltd. is engaged in domestic investment activities, while Striders Global Investment Pte. Ltd. is responsible for overseas investment activities.

At Striders Global Investment Pte. Ltd., the formation of a fund based on previous investments based in Singapore is in progress. As a result, no net sales from the investment business were recorded for the period under review (net sales of 28 million yen in the same period of the previous year).

(2) Explanation of Financial Position

Assets

Current assets at the end of the period under review were 3,202 million yen, an increase of 493 million yen from the end of the previous fiscal year. This is mainly due to a decrease of 168 million yen in cash and deposits and an increase of 646 million yen in short-term loans. Fixed assets amounted to 1,952 million yen, an increase of 31 million yen from the end of the previous fiscal year. This is mainly due to an increase of 10 million yen in buildings and structures(net).

As a result, total assets were 5,154 million yen, an increase of 525 million yen from the end of the previous fiscal year.

Liabilities

Current liabilities at the end of the period under review were 918 million yen, decreasing 184 million yen from the end of the previous fiscal year. This was mainly due to a 156 million yen decrease in current portion of long-term loans payable. Non-current liabilities amounted to 1,803 million yen, increasing 817 million yen from the end of the previous fiscal year. This was mainly due to a 853 million yen increase in long-term loans. As a result, total liabilities amounted to 2,721 million yen, an increase of 632 million yen from the end of the previous fiscal year.

Net assets

Total net assets at the end of the period under review were 2,433 million yen, decreasing 107 million yen compared to the end of the previous fiscal year. This was mainly due to the fact recording an interim net profit attributable to owners of the parent amounting to 13 million yen, while also distributing dividends of 40 million yen from retained earnings.

As a result, the equity ratio was 47.2%.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements

There is no change to the earnings forecast in the "Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024" published on May 15, 2024.

2. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

	(Thousands of yen)	
	FY3/24 (As of Mar. 31, 2024)	Third quarter of FY3/25 (As of Dec. 31, 2024)
Assets		
Current assets		
Cash and deposits	2,108,737	1,940,718
Accounts receivable-trade	211,919	141,585
Securities	130	157
Operating investment securities	191,384	245,908
Inventories	25,895	59,761
Short-term loans	12,000	658,000
Other	163,926	160,418
Allowance for doubtful accounts	(4,930)	(3,969)
Total current assets	2,709,063	3,202,581
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	875,103	885,778
Land	515,733	515,733
Other, net	77,100	84,625
Total property, plant and equipment	1,467,937	1,486,137
Intangible assets		
Goodwill	83,252	77,160
Other	8,054	19,933
Total intangible assets	91,306	97,094
Investments and other assets		
Investment securities	10,000	10,000
Shares of subsidiaries and associates	56,511	53,537
Long-term loans	100,000	100,000
Deferred tax assets	28,728	23,678
Other	169,869	187,092
Allowance for doubtful accounts	(3,827)	(5,339)
Total investments and other assets	361,282	368,967
Total non-current assets	1,920,527	1,952,199
Total assets	4,629,590	5,154,780
Liabilities		
Current liabilities		
Accounts payable-trade	82,690	56,518
Short-term borrowings	3,340	—
Current portion of bonds	40,000	—
Current portion of long-term borrowings	372,025	215,052
Unearned revenue	86,919	101,401
Accrued expenses	245,055	255,113
Accounts payable-other	75,086	66,170
Income taxes payable	8,135	25,972
Provision for bonuses	25,500	12,218
Deposits received	108,008	98,080
Interest rate swaps	690	—
Other	54,719	87,524
Total current liabilities	1,102,171	918,051
Non-current liabilities		
Long-term borrowings	660,308	1,513,428
Retirement benefit liability	11,918	—
Long-term leasehold and guarantee deposits received	130,785	112,596
Deferred tax liabilities	142,065	137,798
Other	41,490	39,752
Total non-current liabilities	986,567	1,803,575

	2,088,739	2,721,626
	(Thousands of yen)	
	FY3/24 (As of Mar. 31, 2024)	Third quarter of FY3/25 (As of Dec. 31, 2024)
Total liabilities		
Net assets		
Shareholders' equity		
Share capital	1,585,938	1,585,938
Capital surplus	109,730	109,730
Retained earnings	996,308	939,518
Treasury shares	(196,453)	(222,852)
Total shareholders' equity	2,495,524	2,412,335
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(415)	—
Deferred gains or losses on hedges	(690)	—
Foreign currency translation adjustment	20,061	19,519
Total accumulated other comprehensive income	18,955	19,519
Share acquisition rights	1,200	1,200
Non-controlling interests	25,170	98
Total net assets	2,540,850	2,433,153
Total liabilities and net assets	4,629,590	5,154,780

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income****(For the Nine-month Period)**

(Thousands of yen)

	First nine months of FY3/24 (Apr. 1, 2023 – Dec. 31, 2023)	First nine months of FY3/25 (Apr. 1, 2024 – Dec. 31, 2024)
Net sales	5,679,631	5,805,019
Cost of sales	4,310,420	4,314,956
Gross profit	1,369,211	1,490,062
Selling, general and administrative expenses	1,379,581	1,510,310
Operating profit(loss)	(10,370)	(20,248)
Non-operating income		
Interest income	370	6,148
Dividend income	1	—
Commission income	27,760	38,117
Foreign exchange gains	3,759	12,139
Share of profit of entities accounted for using equity method	6,363	3,360
Other	10,957	6,190
Total non-operating income	49,212	65,956
Non-operating expenses		
Interest expenses	9,221	9,709
Interest on bonds	1,005	59
Provision of allowance for doubtful accounts	3,125	—
Loss on cancellation of leases	—	3,500
Other	1,898	1,047
Total non-operating expenses	15,249	14,316
Ordinary profit	23,592	31,391
Extraordinary income		
Gain on the sale of shares in affiliated companies	—	18,265
Gain on sales of non-current assets	212	—
Total extraordinary income	212	18,265
Extraordinary losses		
Loss on sale of non-current assets	—	0
Loss on valuation of investment securities	74	86
Total extraordinary losses	74	86
Profit before income taxes	23,730	49,571
Income taxes-current	25,536	37,453
Income taxes-deferred	(4,954)	(4,197)
Total income taxes	20,582	33,255
Profit(loss)	3,147	16,315
Profit(loss) attributable to non-controlling interests	464	3,224
Profit(loss) attributable to owners of parent	2,682	13,091

Quarterly Consolidated Statement of Comprehensive Income**(For the Nine-month Period)**

(Thousands of yen)

	First nine months of FY3/24 (Apr. 1, 2023 – Dec. 31, 2023)	First nine months of FY3/25 (Apr. 1, 2024 – Dec. 31, 2024)
Profit	3,147	16,315
Other comprehensive income		
Valuation difference on available-for-sale securities	8,116	—
Deferred gains or losses on hedges	2,261	690
Foreign currency translation adjustment	3,551	(541)
Remeasurements of defined benefit plans, net of tax	(418)	415
Total other comprehensive income	13,510	564
Comprehensive income	16,658	16,880
Comprehensive income attributable to:		
Owners of parent	16,193	13,655
Non-controlling interests	464	3,224

(3) Notes to Quarterly Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information

Segment information

I. First nine months of FY3/24 (Apr. 1, 2023 – Dec. 31, 2023)

Information related to net sales and profit or loss for each reportable segment (Thousands of yen)

(In Thousands of Yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount shown on quarterly consolidated statement of income (Note 3)
	Real Estate Business	Hotel Business	Investment Business	Subtotal				
Net Sales								
Revenue arising from contracts with customers	1,090,240	774,733	28,993	1,893,967	314,988	2,208,956	—	2,208,956
Other Income (Note 4)	3,470,675	—	—	3,470,675	—	3,470,675	—	3,470,675
External Sales	4,560,916	774,733	28,993	5,364,643	314,988	5,679,631	—	5,679,631
Inter-segment sales and transfers	17,370	1,783	—	19,153	—	19,153	(19,153)	—
Total	4,578,286	776,517	28,993	5,383,797	314,988	5,698,785	(19,153)	5,679,631
Segment Profit (Loss)	138,099	(5,405)	10,944	143,639	7,780	151,420	(161,790)	(10,370)

- Notes: 1. The "Other" segment consists of activities that are not included in any of the reportable segments, and includes the information technology business and the food business.
2. The negative adjustment of 161,790 thousand yen to segment profit (loss) is mainly personnel and other expenses for administrative departments.
3. Segment profit(loss) is adjusted with operating profit shown on the quarterly consolidated statement of income.
4. Other Income includes rental income based on the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, March 30, 2007).

II. First nine months of FY3/25 (Apr. 1, 2024 – Dec. 31, 2024)

1. Information related to net sales and profit or loss for each reportable segment

(Thousands of yen)

(In Thousands of Yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount shown on quarterly consolidated statement of income (Note 3)
	Real Estate Business	Hotel Business	Investment Business	Subtotal				
Net Sales								
Revenue arising from contracts with customers	1,346,401	865,211	—	2,211,613	231,552	2,443,166	—	2,443,166
Other Income (Note 4)	3,361,853	—	—	3,361,853	—	3,361,853	—	3,361,853
External Sales	4,708,254	865,211	—	5,573,466	231,552	5,805,019	—	5,805,019
Inter-segment sales and transfers	—	1,277	—	1,277	—	1,277	(1,277)	—

Total	4,708,254	866,489	—	5,574,744	231,552	5,806,297	(1,277)	5,805,019
Segment Profit (Loss)	138,032	(29,889)	(19,224)	88,918	28,837	117,755	(138,003)	(20,248)

- Notes:
1. The “Other” segment consists of activities that are not included in any of the reportable segments, and includes the information technology business.
 2. The negative adjustment of 138,003 thousand yen to segment profit (loss) is mainly personnel and other expenses for administrative departments.
 3. Segment profit(loss) is adjusted with operating profit shown on the quarterly consolidated statement of income.
 4. Other Income includes rental income based on the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, March 30, 2007).

Notes to Statements of Cash Flows

A quarterly consolidated cash flow statement for the current third quarter consolidated cumulative period has not been prepared. Depreciation expenses (including amortization expenses related to intangible fixed assets other than goodwill) and goodwill amortization amounts for the third quarter consolidated cumulative period are as follows.

(In Thousands of Yen)

	First nine months of FY3/24 (Apr. 1, 2023 – Dec. 31, 2023)	First nine months of FY3/25 (Apr. 1, 2024 – Dec. 31, 2024)
Depreciation and amortization	76,179	91,577
Amortization of goodwill	6,091	6,091

Relation to Revenue Recognition

Information on the breakdown of revenue arising from contracts with customers is provided in "Notes (Segment Information)".

Significant Subsequent Events

(Absorption-type Merger of a Consolidated Subsidiary)

At a meeting of the Board of Directors held on February 10, 2025, the Company resolved to merge Global Holdings Corporation, a wholly owned subsidiary of the Company, by absorption (hereinafter referred to as the “Merger”) and executed a merger agreement pertaining to the Merger.

1. Purpose of the Merger

Global Holdings Corporation's main business has been hotel ownership, and the Company has decided to merge with Global Holdings Corporation to improve the efficiency of its business operations through the sale of hotels to a subsidiary.

2. Summary of the Merger

(1) Merger schedule

Date of Board of Directors' resolution approving the merger agreement: February 10, 2025

Execution of merger agreement February 10, 2025

Scheduled date of merger (effective date) March 31, 2025

- Notes: Since this merger is a simplified merger in accordance with the provisions of Article 796, Paragraph 2 of the Companies Act for the Company and a short-form merger in accordance with Article 784, Paragraph 1 of the Companies Act for Global Holdings Corporation, neither company will hold a general meeting of shareholders to approve the merger agreement.

(2) Method of merger

The merger will be an absorption-type merger with the Company as the surviving company and Global Holdings Corporation will be dissolved.

(3) Allotment of shares in relation to this merger

Since this is an absorption-type merger of a wholly owned subsidiary, there will be no allotment of shares or other money, etc. as a result of this merger.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights in connection with this merger
Not applicable.

3.Outlook for the future

The Merger is a merger with a wholly owned subsidiary and is expected to have a negligible impact on the Company's consolidated business results.

This summary report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.