

Semi-annual Securities Report

(The 26th Term)

From July 1, 2024
To December 31, 2024

Fibergate Inc.

Nishi 8-10-3, Minami 1-Jo, Chuo-ku, Sapporo

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[Interim Accounting Period]	During the 26th Term from July 1, 2024, To December 31,2024
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[Company Name (in English)]	Fibergate Inc.
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Part I [Information on the Company]

1. [Company overview]

1. [Key management indicators and trends]

	Six months ended December 31, 2023	Six months ended December 31, 2024	The 25th Term
Year ended	From July 1,2023 To December 31,2023	From July 1,2024 To December 31,2024	From July 1,2023 To June 31,2024
Sales (million yen)	5,806	6,556	12,613
Ordinary income (million yen)	1,117	969	2,395
Ordinary profit (million yen)	731	654	1,567
Comprehensive income (million yen)	741	646	1,573
Net assets (million yen)	5,123	6,248	5,836
Total assets (million yen)	13,358	12,877	13,076
Profit attributable to owners of parent (yen)	35.97	32.29	77.20
Diluted Net income per share (yen)	35.89	32.25	76.95
Equity-to-asset ratio (%)	37.82	48.06	44.27
Cash flows from operating activities (million yen)	1,053	1,659	2,833
Cash flows from investing activities (million yen)	△1,206	△742	△2,377
Cash flows from financing activities (million yen)	△230	△833	△723
Cash and cash equivalents at end of period (million yen)	2,001	2,203	2,120

(Notes) Since the Company prepares interim consolidated financial statements, it does not include changes in major management indicators, etc. of the submitting company.

2. [Description of Business]

There were no noteworthy changes in the description of the businesses operated by the Group (the Company and its affiliates) during the current interim consolidated accounting period.

In addition, during the current interim consolidated accounting period, we have established a subsidiary (EnePulse Inc.) in July 2024.

As a result, the Group consists of the Company and six subsidiaries as of December 31, 2024.

2. [Business overview]

1. [Business and other risks]

There are no occurrences of matters that may have a significant impact on investors' decisions, or noteworthy changes to the "Business and other risks" described in the Annual Securities Report for the previous fiscal year (submitted on September 27, 2024) among the matters related to the business overview and financial information described in this semi-annual securities report during the current interim consolidated accounting period.

2[Management's analysis of financial position, operation results and cash flows]

Forward-looking statements in this report are based on the judgment as of the end of the current quarter consolidated fiscal year.

(1) Overview of operating results

(Millions of yen)

	Sales	Operating income	Ordinary income	Ordinary profit	Profit attributable to owners of parent (Yen)
Six months ended December 31, 2024	6,556	979	969	654	32.29
Six months ended December 31, 2023	5,806	1,098	1,117	731	35.97
Percent change from the same period last year (%)	12.9	-10.9	-13.2	-10.5	-10.2

During the current interim consolidated accounting period (from July 1, 2024 to December 31, 2024), Japan's economy has been on a moderate recovery trend, with progress in improving employment and income. On the other hand, there are downward risks to the economy, such as rising prices due to international instability and depreciation of the yen, and the outlook remains uncertain. Consequently the situation remains unpredictable.

Under such circumstances, our Group will continue to grow as a company that provides an optimal communication environment to users as an "on-premise infrastructure integrator" with the aim of transforming its business model in line with changes in the environment.

The effect of stock business accumulation for the Home-Use Business has continued in a stable manner, and sales of cross-sell-products including "FG smart call," network camera- and intercom-compatible systems, which we have been focusing on for some time, have been steady, leading the ratio of sales in the Home-Use Business to an upward trend.

On the other hand, we are increasing the number of projects adopting one-time sales method for providing devices, and the profit margin is temporarily declining because costs are recorded in a lump sum in the first year of transactions. Although the profit margin in the first year of transactions will decrease due to the adoption of one-time sales method, it is expected that the profit margin of future stock income will be improved and the tax burden will be reduced due to the suppression of depreciable assets.

As a result of the above, the segment sales were 5,285 million yen (+3.9% YoY) and segment profit was 1,331 million yen (+10.1% YoY).

In the Business-Use Business, sales of premises-communication-infrastructure-services to medical and nursing care facilities, public facilities, and tourist facilities, which we have been focusing on for some time, are growing steadily. Sales in these three target areas account for approximately 60% of the Business-Use Business, with sales to medical and nursing care facilities grew in the first quarter of the consolidated accounting period and tourist facilities in the second quarter.

On the other hand, the gross profit margin has been on a downward trend due to a decrease in large-scale projects with high profit margins.

As a result of the above, the segment sales were 816 million yen (+19.4% YoY) and segment profit was 151 million yen (-2.4% YoY).

In the Real Estate Business, there was one sale of real estate at FG Smart Asset Inc.

As a result of the above, the segment net sales were 441 million yen (8 million yen in the same period of the previous fiscal year) and segment profit was 72 million yen (segment loss of 2 million yen in the same period of the previous fiscal year).

Regarding other business segments, there were sales related to the Renewable Energy (Electricity) Business at Off Grid-Lab Inc. In addition, expenses related to the establishment of the newly established Enepulse Inc. have been incurred.

As a result of the above, the segment sales in the other business segment were 13 million yen (-51.1% YoY) and segment loss was 6 million yen (segment profit of 13 million yen in the same period of the previous fiscal year).

As a result, for the current interim consolidated accounting period, we report net sales of 6,556 million yen (up 12.9% year-on-year), operating income of 979 million yen (-10.9% YoY), ordinary income of 969 million yen (-13.2% YoY), and interim net income attributable to owners of parent of 654 million yen (-10.5% YoY).

(2) Overview of financial position

	At the end of the previously consolidated fiscal year	As of December 31,	Percent change (%)
Total Assets (Millions of yen)	13,076	12,877	-1.5
Net Assets (Millions of yen)	5,836	6,248	7.1
Shareholders' equity ratio (%)	44.3	48.1	8.8
Net assets per share (Yen)	285.59	305.30	6.9

(Assets)

Total assets for the current interim consolidated accounting period decreased by 198 million yen from the end of the previous fiscal year to 12.877 billion yen. This was mainly due to a decrease of 61 million yen in current assets and 136 million yen in fixed assets.

The decrease in current assets was mainly due to a decrease in real estate for sale by 349 million yen despite an increase of 83 million yen in cash and deposits and 245 million yen in commodity. The increase in fixed assets was mainly due to a decrease of 91 million yen in communication equipment for the provision of our telecommunications services.

(Liabilities)

Total liabilities for the current interim consolidated accounting period decreased by 610 million yen from the end of the previous fiscal year to 6.629 billion yen. This was mainly due to a decrease of 980 million yen in long-term borrowings (including current portion of long-term borrowings) and 176 million yen in contract liabilities despite an increase of 239 million yen in accounts payable and 400 million yen in short-term borrowings.

(Net Assets)

Total net assets for the current interim consolidated accounting period increased by 412 million from the end of the previous fiscal year to 6.248 billion yen. This was mainly due to an increase of 401 million yen in retained earnings and 3 million yen in non-controlling interests.

(3) Overview of cash flows

The balance of cash and cash equivalents (hereinafter referred to as "funds") at the end of the current interim consolidated accounting period is 2.203 billion yen, an increase of 83 million yen from the end of the previous consolidated fiscal year. The status of cash flows and their factors are as follows.

(Cash flows from operating activities)

Funds obtained from operating activities amounted to 1.659 billion yen (1.053 billion yen was acquired in the same period of the previous fiscal year). This was mainly due to an increase in funds due to interim net income before taxes of 941 million yen, depreciation expenses of 826 million yen, and an increase or decrease in purchase liabilities of 238 million yen, while a decrease in funds due to increase or decrease in contract liabilities of 176 million yen and payments of income taxes of 339 million yen.

(Cash flows from investing activities)

Funds used through investment activities amounted to 742 million yen (compared to 1.206 billion yen in the same period of the previous fiscal year). This was mainly due to a decrease in funds due to expenditures of 746 million yen from the acquisition of tangible fixed assets.

(Cash flows from financing activities)

Funds used through financing activities amounted to 833 million yen (compared to 230 million yen in the same period of the previous fiscal year). This was mainly due to an increase in funds due to an increase or decrease in short-term borrowings of 400 million yen, while a decrease in funds due to expenditures of 980 million yen from repayment of long-term borrowings and 253 million yen from dividend payments.

4) Management policies and strategies

There are no noteworthy changes in the management policies and strategies established by the Group during the current interim consolidated accounting period.

(5) Business and financial issues to be addressed preferentially

There are no noteworthy changes in the Group's business and financial issues to be addressed preferentially during the current interim consolidated accounting period.

(6) Research and development activities

R&D expenses of the entire Group for the current interim consolidated accounting period amounted to 2 million yen. There are no noteworthy changes in the Group's R&D expenses during the current interim consolidated accounting period.

3. [Important business contracts]

No important business contracts have been decided or concluded during the current interim consolidated accounting period.

3[Corporate information]

1.[Information on the Company's shares]

(1) [Total number of shares, etc.]

1)[Total number of shares]

Type	Total number of authorized shares (shares)
Common share	79,100,000
Total	79,100,000

2)[Shares issued]

Type	Number of shares issued as of the end of the interim accounting period (shares) (December 31, 2024)	Number of shares issued as of the date of submission (shares) (February 14, 2025)	Name of listed financial instruments exchange or certified financial instruments firms' associations	Details
Common share	20,593,600	20,593,600	Tokyo Stock Exchange (Prime Market) Sapporo Securities Exchange	The number of shares in one unit is 100 shares.
Total	20,593,600	20,593,600	—	—

(Note) Common share is with full voting rights, which is a standard share of the Company with no restrictions on the content of rights.

(2) [Status of stock acquisition rights, etc.]

1)[Details of the stock option system]

There are no applicable matters.

2)[Status of Other Stock Acquisition Rights, etc.]

There are no applicable matters.

(3) [Exercise status of corporate bond certificate with stock acquisition rights with exercise price adjustment clause]

There are no applicable matters.

(4) [Changes in the total number of shares issued, capital, etc.]

Date	Changes in total number of shares issued (shares)	Balance of total number of shares issued (shares)	Changes in capital (million yen)	Balance of capital (million yen)	Changes in capital reserve (million yen)	Balance of capital reserve (million yen)
From July 1, 2024 To December 31, 2024	—	20,593,600	—	494	—	400

(5) [Status of major shareholders]

As of December 31, 2024

Name	Address	Number of shares held (1,000 shares)	Ratio of number of shares held to the total number of shares issued (excluding treasury shares) (%)
MI Corporation Inc.	Nishi 9-1-2, Minami 2-Jo, Chuo-ku, Sapporo-shi, Hokkaido	4,749	23.42
Masanori Inomata	Chuo-ku, Sapporo-shi, Hokkaido	2,794	13.78
Custody Bank of Japan, Ltd. (Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	2,449	12.08
Sumitomo Mitsui Trust Bank, Ltd. (Trust Account A-23)	4-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo	1,700	8.38
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo	1,326	6.54
Taizo Matsumoto	Taito-ku, Tokyo	1,097	5.41
Hikari Tsushin K.K.	1-4-10 Nishi-Ikebukuro, Toshima-ku, Tokyo	994	4.90
BNYMSANV AS AGENT / CLIENTS LUX UCITS NON-TREATY 1 (Standing proxy: MUFG Bank, Ltd.)	VERTIGO BUILDING - POLARIS 2-4 RUE EUGENE RUPPERT L-2453 LUXEMBOURG GRAND DUCHY OF LUXEMBOURG (Settlement Division, 7-1 Marunouchi 2-chome, Chiyoda-ku, Tokyo)	354	1.74
Taichi Yabu	Kusatsu-shi Shige	180	0.88
Shigenori Imagawa	Naka-ku Yokoama-shi Kanagawa	141	0.69
Total	—	15,787	77.88

(Note)1. The ratio of number of shares held to the total number of shares issued (excluding treasury shares) is rounded down to the third decimal place.

2. Of the above number of shares held, the number of shares related to the trust business is not listed because it is not possible for the Company to grasp it.
3. The 1,700 thousand shares of Sumitomo Mitsui Trust Bank, Ltd. (Trust Account A-23) are related to a trust agreement for the purpose of managing shares with Masanori Inomata, President and Chief Executive Officer of the Company, as the trustor and beneficiary, and Sumitomo Mitsui Trust Bank, Ltd. as the trustee. In addition, 800 thousand shares of the 2,449 thousand shares held by the Custody Bank of Japan, Ltd. (trust account) are due to the conclusion of a management trust agreement for donated shares for shares held by Masanori Inomata, President and Chief Executive Officer of the Company. As a result, the actual number of shares held by Masanori Inomata is 10,043 thousand shares with the ratio of 49.54%, which includes the number of shares held by MI Corporation Inc., the asset management company of Masanori Inomata.

(6) [Status of voting rights]

1)[Shares issued]

As of December 31, 2024

Division	Number of shares (shares)	Number of voting rights (pcs)	Details
Non-voting share	—	—	—
Share with restricted voting right (Treasury stock, etc.)	—	—	—
Share with restricted voting right (Others)	—	—	—
Share with full voting rights (Treasury stock, etc.)	Common share 322,200	—	—
Shares with full voting rights (Others)	Common share 20,254,200	202,542	—
Share less than one unit	Common share 17,200	—	Shares less than one unit (100 shares)
Total number of shares issued	20,593,600	—	—
Voting rights of all shareholders	—	202,542	—

2)[Treasury stock, etc.]

As of December 31, 2024

Name of owner	Address of owner	Number of shares held in own name (shares)	Number of shares held in someone else's name (shares)	Total number of shares held (shares)	Ratio of number of shares held to the total number of shares issued (%)
Fibergate Inc.	Nishi 8-10-3, Minami 1-Jo, Chuo-ku, Sapporo-shi 3	322,200	—	322,200	1.56
Total	—	322,200	—	322,200	1.56

2. [Status of executives]

After the date of submission of the annual securities report for the previous fiscal year, there is no change in executives during the current interim accounting period.

4.[Financial information]

1 Interim consolidated financial statements and methods of preparing financial statements

The Company's interim consolidated financial statements are prepared in accordance with the "Regulations on Terminology, Forms and Preparation Methods for Consolidated Financial Statements" (Ordinance of the Ministry of Finance No. 28 of 1976, hereinafter referred to as "Regulations Concerning Financial Statements").

In addition, the Company falls under the category of companies listed in the upper column of Item 1 of the Table in Article 24-5, Paragraph 1 of the Financial Instruments and Exchange Act, and prepares Type 1 interim consolidated financial statements in accordance with the provisions of Part 1 and 3 of the Regulations Concerning Financial Statements.

2 Concerning audit certifications

In accordance with the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the Company has undergone an interim review by KPMG Azusa LLC of its interim consolidated financial statements for the interim consolidated accounting period (from July 1, 2024 to December 31, 2024).

1 [Consolidated Financial Statements]

(1) [Consolidated balance sheets]

(Millions of yen)

	As of June 30, 2024	As of December 30, 2024
Assets		
Current assets		
Cash and deposits	2,120	2,203
Accounts receivable and Contract Assets	1,980	1,940
Commodity	665	910
Real estate for sale	489	140
Work in progress	0	7
Supplies	0	0
Others	87	78
Allowance for doubtful accounts	△5	△5
Total current assets	5,339	5,277
Fixed asset		
Tangible fixed assets		
Building (net)	35	34
Tools, furniture & fixtures(net)	10	13
Communication equipment (net)	7,153	7,062
Construction in progress	0	—
Total tangible fixed assets	7,200	7,109
Intangible assets		
Software	67	59
Software in progress	20	23
Total intangible assets	88	83
Investments and other assets		
Investment securities	11	11
Deposit	46	45
Deferred tax assets	372	334
Claims in bankruptcy, reorganization, etc.	1	1
Others	18	16
Allowance for doubtful accounts	△1	△1
Total investments and other assets	447	406
Total fixed assets	7,736	7,599
Deferred assets		
Inaugural expenses	0	0
Total deferred assets	0	0
Total assets	13,076	12,877

(Millions of yen)

	As of June 30, 2024	As of December 30, 2024
Liabilities		
Current liabilities		
Accounts payable	623	862
Short-term borrowings	140	540
Current portion of long-term borrowings	1,203	1,118
Income taxes payable	358	273
Contract liabilities	1,317	1,140
Provision for bonuses	88	91
Provision for stock-based remuneration	—	1
Others	356	342
Total current liabilities	4,086	4,371
Fixed liabilities		
Corporate bond	50	50
Long-term borrowings	3,049	2,153
Retirement benefit liability	53	54
Total fixed liabilities	3,153	2,257
Total liabilities	7,240	6,629
Net assets		
Shareholders' equity		
Capital	494	494
Capital surplus	423	423
Retained earnings	5,225	5,626
Treasury share	△356	△356
Total shareholders' equity	5,786	6,187
Other comprehensive income cumulative amount		
Valuation difference of other securities	0	△0
Foreign currency translation adjustment account	3	1
Other comprehensive income cumulative amount	3	1
Share award rights	—	8
Non-controlling interest	46	50
Total net assets	5,836	6,248
Total liabilities and net assets	13,076	12,877

2) [Consolidated profit and loss statement and consolidated comprehensive income statement]

[Consolidated profit and loss statement]

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Sales	5,806	6,556
Cost of goods sold	2,975	3,863
Gross profit	2,831	2,693
Selling, general and administrative expenses	1,732	1,713
Operating income	1,098	979
Non-operating income		
Interest income	0	0
Dividend income	0	0
Surrender value of insurance policies	26	—
Point revenue	3	2
Others	2	0
Total non-operating income	31	3
Non-operating expenses		
Interest expenses	12	12
Foreign exchange loss	0	1
Others	0	—
Total non-operating expenses	13	13
Ordinary profit	1,117	969
Extraordinary loss		
Loss on disposal of fixed assets	23	27
Total extraordinary losses	23	27
Net quarterly income before income taxes	1,093	941
Income taxes-current	300	255
Income taxes-deferred	52	38
Total income taxes	352	293
Net income	741	648
Net income attributable to non-controlling interests	9	△5
Profit attributable to owners of parent	731	654

(Consolidated comprehensive income statement)

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Net Income	741	648
Other comprehensive profit		
Other valuation difference on available-for-sale securities	0	△0
Foreign currency translation adjustment account	△0	△1
Other comprehensive profit total	△0	△1
Comprehensive income	741	646
(Breakdown)		
Comprehensive income related to shareholders of the parent	731	652
Comprehensive income related to non-controlling interests	9	△5

(3) [Consolidated Statements of Cash Flows]

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Cash flows from operating activities		
Net income before income taxes	1,093	941
Depreciation expenses	764	826
Stock-based remuneration expenses	11	10
Loss on disposal of fixed assets	23	27
Changes in allowance for doubtful accounts (Δ denotes decrease)	0	0
Changes in provision for bonuses (Δ denotes decrease)	0	3
Changes in retirement benefit liability (Δ denotes decrease)	2	0
Interest income and Dividend income	Δ 0	Δ 0
Interest expenses	12	12
Changes in accounts receivable and contract assets (Δ denotes increase)	Δ 34	40
Changes in inventory (Δ denotes increase)	Δ 554	91
Changes in purchase payables (Δ denotes decrease)	379	238
Changes in contract liabilities (Δ denotes decrease)	Δ 165	Δ 176
Foreign exchange gain and loss (Δ denotes gain)	Δ 1	0
Others	Δ 65	Δ 5
Subtotal	1,467	2,010
Amount of interest and dividends received	0	0
Amount of interest paid	Δ 12	Δ 11
Amount of income taxes paid	Δ 401	Δ 339
Cash flows from operating activities	1,053	1,659
Cash flows from investing activities		
Expenditures from the acquisition of investment securities	Δ 0	Δ 0
Expenditures from acquisition of tangible fixed assets	Δ 1,171	Δ 746
Expenditures from acquisition of intangible assets	Δ 20	Δ 6
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	—	9
Expenditure by deposit	Δ 14	—
Others	—	0
Cash flows from investing activities	Δ 1,206	Δ 742
Cash flows from financing activities		
Changes in short-term borrowings (Δ denotes decrease)	300	400
Proceeds from long-term borrowings	400	—
Expenditures due to repayment of long-term borrowings	Δ 537	Δ 980
Expenditures from acquisition of treasury share	Δ 188	—
Number of dividends paid	Δ 204	Δ 253
Cash flows from financing activities	Δ 230	Δ 833
Effect of exchange rate change on cash and cash equivalents	1	Δ 0
Changes in cash and cash equivalents (Δ denotes decrease)	Δ 381	83
Balance of cash and cash equivalents at the beginning of the fiscal year	2,382	2,120
Cash and cash equivalents at end of period	2,001	2,203

[Notes]

(Changes in scope of consolidation or application of the equity method)

EnePulse Inc., which was newly established in the current interim consolidated accounting period, is included in the scope of consolidation.

(Consolidated profit and loss statement related)

※ The main items and amounts of selling among selling, general and administrative expenses are as follows.

	Six months ended December 31, 2023	Six months ended December 31, 2024
Salary and allowances	551 million yen	528 million yen
Sales commission	502 million yen	492 million yen
Provision for doubtful accounts	0 million yen	0 million yen
Retirement benefit cost	3 million yen	4 million yen
Stock-based remuneration expenses	11 million yen	10 million yen
Provision for bonuses	87 million yen	85 million yen

(Consolidated statement of cash flows related)

※ Relationship between cash and cash equivalents at end of period and the amount of items listed on the consolidated balance sheet

	Six months ended December 31, 2023	Six months ended December 31, 2024
Cash and deposit account	2,001 million yen	2,203 million yen
Cash and cash equivalents	2,001 million yen	2,203 million yen

(Shareholders' equity related)

I Six months ended December 31, 2023

1. Number of dividends paid

Resolution	Types of shares	Total amount of dividends	Dividends per share	Reference date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders held on September 27, 2023	Common share	204 million yen	10.00 yen	June 30, 2023	September 28, 2023	Retained earnings

2. Dividends with a reference date in the current consolidated interim accounting period whose effective date of the dividend is after the last day of the current interim consolidated accounting period

Resolution	Types of shares	Total amount of dividends	Dividends per share	Reference date	Effective date	Source of dividends
Board Meeting on February 14, 2024	Common share	101 million yen	5.00 yen	December 31, 2023	March 12, 2024	Retained earnings

II Six months ended December 31, 2024

1. Number of dividends paid

Resolution	Types of shares	Total amount of dividends	Dividends per share	Reference date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders held on September 26, 2024	Common share	253 million yen	12.50 yen	June 30, 2024	September 27, 2024	Retained earnings

2. Dividends with a reference date in the current consolidated interim accounting period whose effective date of the dividend is after the last day of the current interim consolidated accounting period

Resolution	Types of shares	Total amount of dividends	Dividends per share	Reference date	Effective date	Source of dividends
Board Meeting on February 14, 2025	Common share	273 million yen	13.50 yen	December 31, 2024	March 12, 2025	Retained earnings

(Notes on quarterly consolidated financial statements)

[Segment information]

I Six months ended December 31, 2023

1. Information on the number of sales and profits or losses for each reporting segment

(Millions of yen)

	Reporting Segments				Others (Notes1)	Total	Adjustment amount (Notes2)	Amount reported on the consolidated financial statements (Notes3)
	Home-Use Business	Business- Use Business	Real estate Business	Total				
Sales								
Sales to external customers	5,086	683	8	5,778	27	5,806	—	5,806
Internal sales or transfers between segments	—	—	—	—	—	—	—	—
Total	5,086	683	8	5,778	27	5,806	—	5,806
Segment Profit or Loss	1,482	154	△2	1,634	13	1,647	△548	1,098

(Notes) 1. 「The "Others"」 category is a Business segment that is not included in the reporting segment and includes the renewable energy (electricity) Business.

2. The adjustment of segment profit of -548 million yen is general and administrative expenses that have not been allocated to each reporting segment.

3. Segment profit is adjusted to operating income in consolidated financial statements.

2. Information on impairment losses on fixed assets or goodwill by reported segment

There are no applicable matters.

II Six months ended December 31, 2024

1. 1. Information on the amount of sales and profits or losses for each reporting segment

(Millions of yen)

	Reporting Segments				Others (Notes1)	Total	Adjustment amount (Notes2)	Amount reported on the consolidated financial statements (Notes3)
	Home-Use Business	Business- Use Business	Real estate Business	Total				
Sales								
Sales to external customers	5,285	816	441	6,543	13	6,556	—	6,556
Internal sales or transfers between segments	—	—	—	—	—	—	—	—
Total	5,285	816	441	6,543	13	6,556	—	6,556
Segment Profit or Loss	1,331	151	72	1,555	△6	1,548	△569	979

(Notes) 1. 「The "Others"」 category is a Business segment that is not included in the reporting segment and includes the renewable energy (electricity) Business.

2. The adjustment of segment profit of -569 million yen is general and administrative expenses that have not been allocated to each reporting segment.

3. Segment profit is adjusted to operating income in consolidated financial statements.

2. Information on impairment losses on fixed assets or goodwill by reported segment

There are no applicable matters.

(Revenue recognition related)

Information that breaks down revenue generated from contracts with customers

Six months ended December 31, 2023

(Millions of yen)

	Reporting segment				Others (Note)	Total
	Home use business	Business use business	Real estate business	Total		
Goods or services to be transferred at a single point in time	1,071	273	—	1,345	27	1,372
Goods or services that are transferred over a period	4,014	409	—	4,424	0	4,424
Revenue generated from contracts with customers	5,086	683	—	5,770	27	5,797
Other earnings	—	—	8	8	—	8
Sales to external customers	5,086	683	8	5,778	27	5,806

(Note) 「The "Others"」 category is a Business segment that is not included in the reporting segment and includes the renewable energy (electricity) Business.

Six months ended December 31, 2024

(Millions of yen)

	Reporting segment				Others (Note)	Total
	Home use business	Business use business	Real estate business	Total		
Goods or services to be transferred at a single point in time	906	364	433	1,703	13	1,716
Goods or services that are transferred over a period	4,379	452	—	4,831	0	4,831
Revenue generated from contracts with customers	5,285	816	433	6,535	13	6,548
Other earnings	—	—	8	8	—	8
Sales to external customers	5,285	816	441	6,543	13	6,556

(Note) 「The "Others"」 category is a Business segment that is not included in the reporting segment and includes the renewable energy (electricity) Business.

(Information per share)

Interim net income per share and basis for calculation, diluted interim net income per share and basis for calculation are as follows.

	Six months ended December 31, 2023	Six months ended December 31, 2024
(1) Net income per share	35.97 yen	32.29 yen
(Basis for calculation)		
Profit attributable to owners of parent (million yen)	731	654
Amounts not attributable to common shareholders (million yen)	—	—
Net income attributable to owners of parent related to common stock (million yen)	731	654
Average number of shares of common stock during the period (shares)	20,343,503	20,271,393
(2) Diluted Net income per share	35.89 yen	32.25 yen
(Basis for calculation)		
Adjusted amount of Profit attributable to owners of parent (million yen)	—	—
Increase in common share (shares)	42,937	26,628
Since it does not have a dilutive effect, summary of dilutive shares that were not included in the calculation of diluted interim net income per share and that have had noteworthy changes since the end of the previous consolidated fiscal year.	—	—

(Significant Aftermath)

There are no applicable matters.

2. [Others]

At the Board of Directors meeting held on February 14, 2025, the Company resolved the following of regarding the interim dividends for the current fiscal year.

- (a) Total amount of dividends 273 million yen
- (b) Dividend per share 13.50 yen
- (c) Effective date of request for payment and payment start date March 12, 2025

Part II [Information on Guarantors for the Company]

There are no applicable matters.

[Cover]

[Document submitted]	Confirmation Note
[Article of the application law requiring submission of this document]	Article 24-5-2, Paragraph 1 of the Financial Instruments and Exchange Act
[Filed to]	Director, Hokkaido Local Finance Bureau
[Date of submission]	February 14, 2025
[Company name]	Fibergate Inc.
[Company name (in English)]	Fibergate Inc.
[Position and name of representative]	Masanori Inomata, Representative Director, President Executive Officer
[Position and name of Chief Financial Officer]	Takafumi Hamauzu, Director, Senior Executive Officer, Head of Corporate Planning Division
[Location of head office]	Nishi 8-10-3, Minami 1-Jo, Chuo-ku, Sapporo
[Place where available for public inspection]	Fibergate Inc. Tokyo Office (2-10-12, Shibadaimon, Minato-ku, Tokyo) Tokyo Stock Exchange, Inc. (2-1, Nihonbashikabuto-cho, Chuo-ku, Tokyo) Securities Membership Corporation Sapporo Securities Exchange (Nishi 5-14-1, Minami 1-Jo, Chuo-ku, Sapporo)

1. [Matters concerning the appropriateness of the contents of the semi-annual securities report]

Masanori Inomata, Representative Director, President Executive Officer, and Takafumi Hamauzu, Director, Senior Executive Officer confirmed that the contents of the Company's semi-annual securities report for the 26th fiscal year (from July 1, 2024, to December 31, 2024) are properly described in accordance with the Financial Instruments and Exchange Act.

2. [Special affairs]

There are no noteworthy matters that are pertinent to this securities report.