Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under IFRS)

August 14, 2026

Company name:	ASJ INC.			Stock exchange listings: Tokyo Standard, Nagoya Main
Securities code:	2351	URL: https://www.asj.ad.jp/		
Representative	(Title)	President and Representative Director	(Name) Kuninori Aoki	
Inquiries	(Title)	Director, General Manager of IR Dept.	(Name) Taketomo Nii	Telephone: +81-48-259-5111
Scheduled date to commence dividend payments:		–		

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	683	17.8	23	–	20	–	15	–	15	–	21	–
June 30, 2025	580	(11.4)	0	–	(1)	–	(7)	–	(7)	–	(8)	–

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	1.92	–
June 30, 2025	(0.89)	–

Note: Diluted earnings per share for the three months ended June 30, 2025 and 2026 are not presented because there are no shares with dilutive effects.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2026	4,851	2,918	2,918	60.1
March 31, 2026	4,828	2,920	2,920	60.5

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	0.00	–	3.00	3.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		0.00	–	3.00	3.00

Note: 1. Revisions to the forecast of cash dividends most recently announced: None

2. The year-end dividend of ¥3.00 per share for the fiscal year ended March 31, 2026 includes a commemorative dividend of ¥1.00 per share.

3. Consolidated financial forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	2,900	9.0	150	19.0	100	13.6	12.82

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None

Newly included: － companies (Company name) －

Excluded: － companies (Company name) －

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)	As of June 30, 2026	7,951,100shares	As of March 31, 2026	7,951,100shares
(ii) Number of treasury shares at the end of the period	As of June 30, 2026	149,218shares	As of March 31, 2026	149,218shares
(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	Three months ended June 30, 2026	7,801,882shares	Three months ended June 30, 2025	7,951,082shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable, and do not constitute a guarantee of future performance. Actual results may differ significantly from these forecasts due to various factors. For information on the assumptions underlying the earnings forecasts and notes on the use of such forecasts, please refer to "1. Summary of Business Results, etc. (3) Future Outlook" on page 2 of the attached materials.

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1. Summary of Business Results, etc.

(1) Summary of Business Results for the Quarter under Review

In the three months ended June 30, 2026, revenue increased 17.8% year-on-year to 683,534 thousand yen, driven by the strong performance of Cloud Integration Services.

On the expense side, the cost of sales ratio rose 2.4 percentage points year-on-year to 63.6%, mainly due to an increase in development costs accompanying the growth in integration revenue. On the other hand, the ratio of selling, general and administrative expenses improved 5.8 percentage points year-on-year to 33.1%, reflecting improved operating efficiency and continued reductions in administrative costs through the use of generative AI and other measures.

As a result, operating profit was 23,276 thousand yen (compared with 492 thousand yen in the same period of the previous year), and profit attributable to owners of parent was 15,009 thousand yen (compared with a loss of 7,104 thousand yen in the same period of the previous year). This marks the Company's first profitable first quarter in nine fiscal years, since the first quarter of the fiscal year ended March 31, 2018.

Details of each service are as follows.

	Three months ended June 30, 2025		Three months ended June 30, 2026	
	Revenue	YoY ratio	Revenue	YoY ratio
Cloud Integration Services				
Subscription Revenue	293,104 thousand yen	110.8%	295,572 thousand yen	100.8%
Integration Revenue	76,157 thousand yen	57.8%	193,063 thousand yen	253.5%
Cloud Integration Services Subtotal	369,261 thousand yen	93.1%	488,636 thousand yen	132.3%
EC Services				
EC Services Subtotal	210,901 thousand yen	81.8%	194,898 thousand yen	92.4%
Total Revenue	580,162 thousand yen	88.6%	683,534 thousand yen	117.8%

(Cloud Integration Services)

In Cloud Integration Services, subscription revenue, which provides a stable revenue base, remained solid at 295,572 thousand yen, up 0.8% year-on-year. Integration revenue increased 153.5% year-on-year to 193,063 thousand yen on strong orders for HRTech services. As a result, total revenue of Cloud Integration Services increased 32.3% year-on-year to 488,636 thousand yen.

*Subscription revenue: Service usage fees and maintenance fees for cloud services, etc.

*Integration revenue: Revenue from development and system integration services for cloud service provision

(EC Services)

In EC Services, the Company continued to review its sales strategy with the aim of improving profit margins. As a result, revenue of EC Services was 194,898 thousand yen (down 7.6% year-on-year).

(2) Summary of Financial Position for the Quarter under Review

Total assets as of June 30, 2026 increased 22,939 thousand yen from the end of the previous fiscal year to 4,851,465 thousand yen, mainly due to an increase of 68,560 thousand yen in cash and cash equivalents resulting from the recognition of quarterly profit attributable to owners of parent and the collection of trade receivables.

Liabilities increased 25,191 thousand yen from the end of the previous fiscal year to 1,933,408 thousand yen. This was mainly because advances received related to future sales increased 80,752 thousand yen, while trade and other payables decreased 19,125 thousand yen and borrowings decreased as a result of repayments.

Equity decreased 2,252 thousand yen from the end of the previous fiscal year to 2,918,056 thousand yen, mainly due to the payment of dividends, partially offset by the recognition of quarterly profit attributable to owners of parent.

(3) Future Outlook

Business results for the three months ended June 30, 2026 were generally in line with the Company’s initial expectations, and there is no change to the full-year consolidated earnings forecast announced on May 15, 2026 in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under IFRS).”

2. Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

	As of March 31, 2026	As of June 30, 2026
	Thousands of yen	Thousands of yen
Assets		
Current assets		
Cash and cash equivalents	1,090,517	1,159,077
Trade and other receivables	630,363	579,282
Inventories	106,497	112,785
Other current assets	50,933	69,349
Total current assets	1,878,311	1,920,495
Non-current assets		
Property, plant and equipment	1,904,388	1,887,235
Goodwill	13,134	13,134
Intangible assets	679,682	671,185
Other financial assets	266,697	273,559
Deferred tax assets	83,787	83,716
Other non-current assets	2,523	2,138
Total non-current assets	2,950,214	2,930,969
Total assets	4,828,525	4,851,465

	As of March 31, 2026	As of June 30, 2026
	Thousands of yen	Thousands of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	183,012	183,012
Trade and other payables	631,648	612,522
Other financial liabilities	11,183	3,667
Advances received	205,165	285,918
Income taxes payable	188	6,160
Provisions	33,097	33,097
Other current liabilities	130,399	108,231
Total current liabilities	1,194,694	1,232,609
Non-current liabilities		
Borrowings	477,759	469,506
Other financial liabilities	11,270	11,270
Retirement benefit liability	137,070	134,475
Provisions	23,764	22,025
Deferred tax liabilities	63,657	63,521
Total non-current liabilities	713,522	700,798
Total liabilities	1,908,216	1,933,408
Equity		
Share capital	1,375,538	1,375,538
Capital surplus	1,294,546	1,294,546
Treasury shares	(53,951)	(53,951)
Other components of equity	142,679	148,823
Retained earnings	161,495	153,098
Total equity attributable to owners of parent	2,920,309	2,918,056
Total equity	2,920,309	2,918,056
Total liabilities and equity	4,828,525	4,851,465

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income

(Condensed Quarterly Consolidated Statement of Profit or Loss)

	Three months ended June 30, 2025	Three months ended June 30, 2026
	Thousands of yen	Thousands of yen
Revenue	580,162	683,534
Cost of sales	(354,911)	(434,469)
Gross profit	225,251	249,065
Selling, general and administrative expenses	(225,849)	(226,339)
Other income	1,612	1,316
Other expenses	(520)	(765)
Operating profit	492	23,276
Finance income	1,100	1,148
Finance costs	(3,141)	(3,904)
Profit (loss) before tax	(1,548)	20,521
Income tax expense	(5,555)	(5,512)
Profit (loss)	(7,104)	15,009
Profit (loss) attributable to		
Owners of parent	(7,104)	15,009
Non-controlling interests	—	—
Profit (loss)	(7,104)	15,009
Earnings (loss) per share		
Basic earnings (loss) per share	(0.89)	1.92

(Condensed Quarterly Consolidated Statement of Comprehensive Income)

	Three months ended June 30, 2025	Three months ended June 30, 2026
	Thousands of yen	Thousands of yen
Profit (loss)	(7,104)	15,009
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(40)	1,567
Total of items that will not be reclassified to profit or loss	(40)	1,567
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	(163)	4,575
Exchange differences on translation of foreign operations	(1,240)	—
Total of items that may be reclassified to profit or loss	(1,404)	4,575
Other comprehensive income, net of tax	(1,445)	6,143
Comprehensive income	(8,549)	21,153
Comprehensive income attributable to		
Owners of parent	(8,549)	21,153
Non-controlling interests	—	—
Comprehensive income	(8,549)	21,153

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

	Equity attributable to owners of parent				
				Other components of equity	
	Share capital	Capital surplus	Treasury shares	Financial assets measured at fair value through other comprehensive income	Effective portion of cash flow hedges
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance at beginning of period	1,375,538	1,294,841	(8)	120,837	(558)
Profit (loss)	―	―	―	―	―
Other comprehensive income	―	―	―	(40)	(163)
Comprehensive income	―	―	―	(40)	(163)
Dividends	―	―	―	―	―
Total transactions with owners	―	―	―	―	―
Balance at end of period	1,375,538	1,294,841	(8)	120,797	(722)

	Equity attributable to owners of parent				Total
	Other components of equity				
	Exchange differences on translation of foreign operations	Total	Retained earnings	Total	
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance at beginning of period	5,364	125,643	96,548	2,892,563	2,892,563
Profit (loss)	―	―	(7,104)	(7,104)	(7,104)
Other comprehensive income	(1,240)	(1,445)	―	(1,445)	(1,445)
Comprehensive income	(1,240)	(1,445)	(7,104)	(8,549)	(8,549)
Dividends	―	―	(23,853)	(23,853)	(23,853)
Total transactions with owners	―	―	(23,853)	(23,853)	(23,853)
Balance at end of period	4,123	124,198	65,591	2,860,161	2,860,161

Three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

	Equity attributable to owners of parent				
				Other components of equity	
	Share capital	Capital surplus	Treasury shares	Financial assets measured at fair value through other comprehensive income	Effective portion of cash flow hedges
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance at beginning of period	1,375,538	1,294,546	(53,951)	131,062	11,617
Profit (loss)	—	—	—	—	—
Other comprehensive income	—	—	—	1,567	4,575
Comprehensive income	—	—	—	1,567	4,575
Dividends	—	—	—	—	—
Total transactions with owners	—	—	—	—	—
Balance at end of period	1,375,538	1,294,546	(53,951)	132,630	16,193

	Equity attributable to owners of parent				Total
	Other components of equity				
	Exchange differences on translation of foreign operations	Total	Retained earnings	Total	
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance at beginning of period	—	142,679	161,495	2,920,309	2,920,309
Profit (loss)	—	—	15,009	15,009	15,009
Other comprehensive income	—	6,143	—	6,143	6,143
Comprehensive income	—	6,143	15,009	21,153	21,153
Dividends	—	—	(23,405)	(23,405)	(23,405)
Total transactions with owners	—	—	(23,405)	(23,405)	(23,405)
Balance at end of period	—	148,823	153,098	2,918,056	2,918,056

(4) Notes to Condensed Quarterly Consolidated Financial Statements

(Notes on Assumptions for Going Concerns)

Not applicable.

(Notes to Condensed Quarterly Consolidated Statement of Cash Flows)

The condensed quarterly consolidated statement of cash flows for the three months ended June 30, 2026 has not been prepared. Depreciation and amortization for the respective periods is as follows.

	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)
	Thousands of yen	Thousands of yen
Depreciation and amortization	73,467	79,214

(Segment Information, etc.)

The Group operates in a single segment, the Internet services business, and therefore the disclosure is omitted.

(Significant Subsequent Events)

(Absorption-Type Merger Between Wholly-Owned Subsidiaries)

At a meeting of the Board of Directors held on August 10, 2026, the Company resolved to implement an absorption-type merger (the “Merger”) in which ITECS CORPORATION (“ITECS”), a wholly-owned subsidiary of the Company, will be the surviving company, and eFUSION Co., Ltd. (“eFUSION”), a wholly-owned subsidiary of the Company, will be the absorbed company.

1. Purpose of the Merger

The Group is committed to the optimal allocation of management resources, with due consideration given to return on capital and the cost of capital.

As part of this effort, the Merger consolidates the management resources of the two wholly-owned subsidiaries and, through the reallocation of assets and capital within the Group, aims to enhance capital efficiency and achieve sustainable enhancement of corporate value.

2. Summary of the Merger

(1) Schedule of the Merger

Date of resolution by the Board of Directors (the Company): August 10, 2026

Date of execution of the merger agreement (the parties): August 10, 2026

Date of the general meeting of shareholders to approve the merger agreement (the absorbed company): September 15, 2026 (scheduled)

Scheduled date of the merger (effective date): October 1, 2026 (scheduled)

(2) Method of the Merger

This is a simplified absorption-type merger in which ITECS will be the surviving company and eFUSION will be the absorbed company.

(3) Details of Allotment Related to the Merger

As this is a merger between wholly-owned subsidiaries of the Company, no shares, cash, or other consideration will be delivered.

(4) Name of the surviving company after the Merger

ITECS CORPORATION

(5) Treatment of Share Acquisition Rights and Bonds with Share Acquisition Rights of the Absorbed Company

Not applicable.

3. Overview of Accounting Treatment

A business combination under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party both before and after the business combination, and that control is not transitory. The Group plans to account consistently for all business combinations under common control based on their carrying amounts.