

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Summary of Consolidated Financial Results for the Six Months Ended February 28, 2023 (Based on Japanese GAAP)

April 14, 2023

Company name: Asterisk Inc.
 Listing: Tokyo
 Securities code: 6522
 URL: <https://www.asx.co.jp/>
 Representative: President Noriyuki Suzuki
 Inquiries: Management Director Kazuya Yamamoto
 Telephone: +81-050-5838-7864
 Scheduled date to file quarterly securities report: April 14, 2023
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

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

1. Consolidated financial results for the six months ended February 28, 2023 (from September 1, 2022 to February 28, 2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended February 28, 2023	869	-36.7	-38	—	-23	—	-12	—
February 28, 2022	1,373	—	278	—	283	—	175	—

Note: Comprehensive income Six months ended February 28, 2023: ¥ -11 Million [—%]
 Six months ended February 28, 2022: ¥ 179 Million [—%]

	Earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
February 28, 2023	-1.75	—
February 28, 2022	26.03	24.77

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
February 28, 2023	2,448	2,081	85.0
August 31, 2022	2,519	2,072	82.2

Reference: Equity As of February 28, 2023: ¥ 2,081 Million
 As of August 31, 2022: ¥ 2,072 Million

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
August 31,2022	—	0.00	—	0.00	0.00
August 31,2023	—	0.00			
Fiscal year ending August 31,2023 (Forecast)			—	0.00	0.00

3. Forecast of consolidated financial results for the year ending August 31,2023 (from September 1,2022 to August 31,2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	1,821	-24.4	-137	—	-133	—	-144	—	-20.34

4. Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of February 28,2023	7,091,400 shares
As of August 31,2022	7,055,400 shares

(ii) Number of treasury shares at the end of the period

As of February 28,2023	— shares
As of August 31,2022	— shares

(iii) Average number of shares outstanding during the period

Three months ended February 28,2023	7,065,685 shares
Three months ended February 28,2022	6,746,971 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements, etc.)

The forward-looking statements in this material, such as forecasts of business performance, are based on the information currently available to us and certain assumptions that we judge to be reasonable, and we promise that we will achieve them. not. In addition, actual results may differ significantly due to various factors.

Quarterly consolidated financial statements and principal notes
Quarterly consolidated balance sheet

(Thousands of yen)

	As of August 31,2022	As of February 28,2023
Assets		
Current assets		
Cash and deposits	936,086	208,046
Accounts receivable-trade, and contract assets	328,675	438,533
Merchandise and finished goods	276,415	405,527
Raw materials and supplies	44,080	51,909
Other	70,723	73,654
Allowance for doubtful accounts	-2,905	-3,623
Total current assets	1,653,075	1,174,048
Non-current assets		
Property, plant and equipment		
Buildings	—	484,953
Accumulated depreciation	—	-1,616
Buildings, net	—	483,337
Facilities attached to buildings	1,993	148,379
Accumulated depreciation	-642	-2,531
Facilities attached to buildings, net	1,351	145,848
Structures	—	9,759
Accumulated depreciation	—	-108
Structures, net	—	9,650
Vehicles	641	641
Accumulated depreciation	-641	-641
Vehicles, net	0	0
Tools, furniture and fixtures	134,086	157,161
Accumulated depreciation	-122,926	-132,156
Tools, furniture and fixtures, net	11,160	25,005
Land	292,589	292,589
Construction in progress	380,076	—
Total property, plant and equipment	685,177	956,431
Intangible assets	17,593	34,667
Investments and other assets		
Investment securities	104,000	205,250
Other	60,060	78,231
Allowance for doubtful accounts	-355	-355
Total investments and other assets	163,705	283,126
Total non-current assets	866,477	1,274,224
Total assets	2,519,553	2,448,273

(Thousands of yen)

	As of August 31,2022	As of February 28,2023
Liabilities		
Current liabilities		
Accounts payable - trade	163,265	165,647
Short-term borrowings	—	20,000
Income taxes payable	116,868	14,024
Provision for bonuses	43,710	44,834
Provision for product warranties	17,245	7,068
Provision for loss on orders received	4,781	6,621
Other	99,818	107,338
Total current liabilities	445,689	365,535
Non-current liabilities		
Asset retirement obligations	1,643	1,643
Total non-current liabilities	1,643	1,643
Total liabilities	447,333	367,179
Net assets		
Shareholders' equity		
Share capital	789,412	799,762
Capital surplus	779,412	789,762
Retained earnings	501,633	489,284
Total shareholders' equity	2,070,458	2,078,809
Accumulated other comprehensive income		
Foreign currency translation adjustment	1,761	2,284
Total accumulated other comprehensive income	1,761	2,284
Total net assets	2,072,219	2,081,094
Total liabilities and net assets	2,519,553	2,448,273

Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
 Quarterly consolidated statement of income
 Second quarterly consolidated cumulative accounting period

(Thousands of yen)

	Six months ended February 28,2022	Six months ended February 28,2023
Net sales	1,373,132	869,158
Cost of sales	758,298	560,484
Gross profit	614,834	308,673
Selling, general and administrative expenses	336,211	346,717
Operating profit (loss)	278,623	-38,044
Non-operating income		
Interest and dividend income	94	142
Foreign exchange gains	4,195	13,522
Miscellaneous income	449	952
Total non-operating income	4,738	14,617
Non-operating expenses		
Interest expenses	23	80
Miscellaneous expenses	108	—
Total non-operating expenses	132	80
Ordinary profit (loss)	283,229	-23,506
Extraordinary income		
Subsidy income	135	2,044
Other	61	—
Total extraordinary income	197	2,044
Profit (loss) before income taxes	283,427	-21,461
Income taxes - current	86,570	-8,220
Income taxes - deferred	21,209	-891
Total income taxes	107,779	-9,112
Profit (loss)	175,647	-12,349
Profit (loss) attributable to owners of parent	175,647	-12,349

Quarterly consolidated statement of comprehensive income
Second quarterly consolidated cumulative accounting period

(Thousands of yen)

	Six months ended February 28,2022	Six months ended February 28,2023
Profit(loss)	175,647	-12,349
Other comprehensive income		
Foreign currency translation adjustment	4,345	523
Total other comprehensive income	4,545	523
Comprehensive income(loss)	179,992	-11,825
Comprehensive income(loss) attributable to		
Comprehensive income attributable to owners of parent	179,992	-11,825
Comprehensive income attributable to non-controlling interests	—	—