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## Summary of Consolidated Financial Results for the Fiscal Year Ended August 31,2023 (Based on Japanese GAAP)

October 13,2023

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 of annual general meeting of shareholders: November 27,2023  
 Scheduled date to commence dividend payments: —  
 Scheduled date to file annual securities report: November 27,2023  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for Institutional investors, individual investors, analysts)

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

### 1. Consolidated financial results for the fiscal year ended August 31,2023 (from September 1,2022 to August 31,2023)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31,2023	1,759	-26.9	-192	—	-179	—	-160	—
August 31,2022	2,407	34.3	400	76.6	473	98.3	322	85.5

Note: Comprehensive income Fiscal year ended August 31,2023: ¥ -158 Million [ —%]  
 Fiscal year ended August 31,2022: ¥ 320 Million [ 81.9%]

Fiscal year ended	Earnings per share	Diluted earnings per share	Return on equity	Ordinary profit / total assets	Operating profit / net sales
	Yen	Yen	%	%	%
August 31,2023	-22.66	—	-8.0	-6.8	-10.9
August 31,2022	46.82	45.06	25.3	23.7	16.6

Reference: Equity in net income of affiliates Fiscal year ended August 31,2023: ¥ — million  
 Fiscal year ended August 31,2022: ¥ — million

#### (2) Consolidated financial position

Fiscal year ended	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
August 31,2023	2,728	1,944	71.3	273.51
August 31,2022	2,519	2,072	82.2	293.71

Reference: Equity As of August 31,2023: ¥ 1,944 Million  
 As of August 31,2022: ¥ 2,072 Million

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
August 31,2023	-687	-491	491	251
August 31,2022	300	-518	780	936

### 2. Dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
August 31,2023	—	0.00	—	0.00	0.00	—	—	—
August 31,2022	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending August 31,2024 (Forecast)	—	0.00	—	0.00	0.00		—	

### 3. Forecast of consolidated financial results for the year ending August 31,2024 (from September 1,2023 to August 31,2024)

(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
Six months ending February 29,2024	1,207	39.0	11	—	9	—	0	—	0.06
Full year	2,645	50.3	100	—	96	—	67	—	9.52

#### 4. Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) 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 August 31,2023	7,109,400 shares
As of August 31,2022	7,055,400 shares

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

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

- (iii) Average number of shares outstanding during the period

Year Ended August 31,2023	7,084,169 shares
Year Ended August 31,2022	6,889,230 shares

Consolidated Financial Statements  
Consolidated Balance Sheets

(Thousands of yen)

	As of August 31,2022	As of August 31,2023
<b>Assets</b>		
Current assets		
Cash and deposits	936,086	251,715
Accounts receivable-trade, and contract assets	328,675	267,541
Merchandise and finished goods	276,415	646,343
Raw materials and supplies	44,080	33,332
Other	70,723	189,323
Allowance for doubtful accounts	△2,905	△3,222
Total current assets	1,653,075	1,385,034
Non-current assets		
Property, plant and equipment		
Buildings	—	484,953
Accumulated depreciation	—	△6,466
Buildings, net	—	478,487
Facilities attached to buildings	1,993	166,821
Accumulated depreciation	△642	△8,000
Facilities attached to buildings, net	1,351	158,820
Buildings and structures	—	18,101
Accumulated depreciation	—	△609
Buildings and structures, net	—	17,492
Vehicles	641	641
Accumulated depreciation	△641	△641
Vehicles, net	0	0
Tools, furniture and fixtures	134,086	187,550
Accumulated depreciation	△122,926	△143,449
Tools, furniture and fixtures, net	11,160	44,100
Land	292,589	292,589
Construction in progress	380,076	—
Total property, plant and equipment	685,177	991,490
Intangible assets	17,593	36,649
Investments and other assets		
Investment securities	104,000	205,250
Deferred tax assets	48,914	76,802
Other	11,146	33,985
Allowance for doubtful accounts	△355	△355
Total investments and other assets	163,705	315,683
Total non-current assets	866,477	1,343,823
Total assets	2,519,553	2,728,857

(Thousands of yen)

	As of August 31,2022	As of August 31,2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	163,265	129,468
Short-term borrowings	—	460,000
Accounts payable - other	35,601	63,847
Income taxes payable	116,868	21,395
Contract liabilities	53,619	32,474
Provision for bonuses	43,710	53,036
Provision for product warranties	17,245	9,036
Provision for loss on orders received	4,781	1,765
Other	10,597	11,726
Total current liabilities	445,689	782,750
Non-current liabilities		
Asset retirement obligations	1,643	1,643
Total non-current liabilities	1,643	1,643
Total liabilities	447,333	784,393
<b>Net assets</b>		
Shareholders' equity		
Share capital	789,412	804,937
Capital surplus	779,412	794,937
Retained earnings	501,633	341,121
Total shareholders' equity	2,070,458	1,940,996
Accumulated other comprehensive income		
Foreign currency translation adjustment	1,761	3,467
Total accumulated other comprehensive income	1,761	3,467
Total net assets	2,072,219	1,944,463
Total liabilities and net assets	2,519,553	2,728,857

Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended August 31,2022	Fiscal year ended August 31,2023
Net sales	2,407,387	1,759,851
Cost of sales	1,320,359	1,193,691
Gross profit	1,087,027	566,159
Selling, general and administrative expenses	686,823	758,238
Operating profit (loss)	400,204	△192,078
Non-operating income		
Interest and dividend income	122	222
Miscellaneous income	1,286	2,575
Foreign exchange gains	72,243	11,775
Total non-operating income	73,653	14,573
Non-operating expenses		
Interest expenses	23	897
Provision of allowance for doubtful accounts	—	1,137
Miscellaneous expenses	108	—
Total non-operating expenses	132	2,034
Ordinary profit (loss)	473,724	△179,540
Extraordinary income		
Subsidy income	981	2,061
Total extraordinary income	981	2,061
Extraordinary losses		
Loss on retirement of non-current assets	0	66
Total extraordinary losses	0	66
Profit (loss) before income taxes	474,706	△177,545
Income taxes - current	152,703	10,855
Income taxes - deferred	△539	△27,888
Total income taxes	152,164	△17,032
Profit (loss)	322,542	△160,512
Profit (loss) attributable to owners of parent	322,542	△160,512

## Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Fiscal year ended August 31,2021	Fiscal year ended August 31,2022
Profit (loss)	322,542	△160,512
Other comprehensive income		
Foreign currency translation adjustment	△2,064	1,706
Total other comprehensive income	△2,064	1,706
Comprehensive income	320,477	△158,806
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	320,477	△158,806
Comprehensive income attributable to non-controlling interests	—	—

Consolidated Statements of Changes in Net Assets  
Fiscal year ended August 31,2022

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	150,000	140,000	179,091	469,091
Changes during period				
Issuance of new shares	639,412	639,412		1,278,825
Profit attributable to owners of parent			322,542	322,542
Net changes in items other than shareholders' equity				
Total changes during period	639,412	639,412	322,542	1,601,367
Balance at end of period	789,412	779,412	501,633	2,070,458

	Accumulated other comprehensive income		Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	3,825	3,825	472,917
Changes during period			
Issuance of new shares			1,278,825
Profit attributable to owners of parent			322,542
Net changes in items other than shareholders' equity	-2,064	-2,064	-2,064
Total changes during period	-2,064	-2,064	1,599,302
Balance at end of period	1,761	1,761	2,072,219



Fiscal year ended August 31,2023

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	789,412	779,412	501,633	2,070,458
Changes during period				
Issuance of new shares	15,525	15,525		31,050
Profit attributable to owners of parent			△160,512	△160,512
Net changes in items other than shareholders' equity				
Total changes during period	15,525	15,525	△160,512	△129,462
Balance at end of period	804,937	794,937	341,121	1,940,996

	Accumulated other		Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	1,761	1,761	2,072,219
Changes during period			
Issuance of new shares			31,050
Profit attributable to owners of parent			△160,512
Net changes in items other than shareholders' equity	1,706	1,706	1,706
Total changes during period	1,706	1,706	△127,756
Balance at end of period	3,467	3,467	1,944,463

## Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended August 31,2022	Fiscal year ended August 31,2023
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	474,706	△177,545
Depreciation	18,570	48,996
Subsidy income	△981	△2,061
Increase (decrease) in provision for loss on orders received	4,780	△3,016
Increase (decrease) in provision for product warranties	6,061	△8,208
Increase (decrease) in allowance for doubtful accounts	1,600	316
Increase (decrease) in provision for bonuses	2,964	9,608
Interest and dividend income	△122	△222
Loss on retirement of non-current assets	0	66
Interest expenses	23	897
Decrease (increase) in trade receivables	△159,618	63,566
Decrease (increase) in inventories	297,585	△357,834
Increase (decrease) in trade payables	△78,623	△44,088
Decrease (increase) in other current assets	△16,082	△129,885
Increase (decrease) in other current liabilities	△73,986	36,873
Increase (decrease) in accounts payable - other	△5,475	26,966
Other, net	△9,141	7,704
Subtotal	462,260	△527,867
Interest and dividends received	122	222
Interest paid	△23	△1,018
Income taxes refund	—	1
Income taxes paid	△163,295	△160,898
Subsidies received	981	2,061
Net cash provided by (used in) operating activities	300,046	△687,498
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△395,369	△351,789
Purchase of investment securities	△104,000	△101,250
Loan advances	△35,520	—
Proceeds from collection of loans receivable	23,425	12,095
Purchase of intangible assets	△9,049	△23,429
Proceeds from withdrawal of time deposits	600	—
Other, net	1,245	△26,669
Net cash provided by (used in) investing activities	△518,668	△491,043
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	△361,000	460,000
Repayments of long-term borrowings	△137,232	—
Proceeds from issuance of shares	1,278,825	31,050
Net cash provided by (used in) financing activities	780,593	491,050
Effect of exchange rate change on cash and cash equivalents	25,394	3,121
Net increase (decrease) in cash and cash equivalents	587,364	△684,370
Cash and cash equivalents at beginning of period	348,721	936,086
Cash and cash equivalents at end of period	936,086	251,715