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Summary of Consolidated Financial Results for the Six months ended February 29,2024 (Based on Japanese GAAP)

April 12,2024

Company name: Asterisk Inc.
 Listing: Tokyo
 Securities code: 6522
 URL: <https://www.asx.co.jp/>
 Representative: President Noriyuki Suzuki
 Inquiries: Management Director Kazuya Yamamoto
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 Scheduled date to file quarterly securities report: April 12,2024
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the Six months ended February 29,2024 (from September 1,2023 to February 29,2024)

(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 29,2024	658	-24.2	-160	—	-121	—	-197	—
February 28,2023	869	-36.7	-38	—	-23	—	-12	—

Note: Comprehensive income Six months ended February 29,2024: ¥ -187 Million [—%]
 Six months ended February 28,2023: ¥ -11 Million [—%]

	Earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
February 29,2024	-27.76	—
February 28,2023	-1.75	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
February 29,2024	2,688	1,747	65.0
August 31,2023	2,719	1,934	71.2

Reference: Equity As of February 29,2024: ¥ 1,747 Million
 As of August 31,2023: ¥ 1,934 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 31,2023	—	0.00	—	0.00	0.00
August 31,2024	—	—	—	—	—
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
Full year	1,813	3.1	-389	—	-366	—	-377	—	-53.06

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)

February 29,2024	7,109,400 shares
As of August 31,2023	7,109,400 shares

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

February 29,2024	— shares
As of August 31,2023	— shares

(iii) Average number of shares outstanding during the period

Three months ended February 29,2024	7,109,400 shares
Three months ended February 28,2023	7,065,685 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 31,2023	As of February 29,2024
Assets		
Current assets		
Cash and deposits	251,715	316,760
Accounts receivable-trade, and contract assets	267,541	270,218
Merchandise and finished goods	646,343	735,998
Raw materials and supplies	33,332	51,421
Income taxes refund receivable	67,441	—
Other	121,882	70,243
Allowance for doubtful accounts	△3,222	△3,919
Total current assets	1,385,034	1,440,723
Non-current assets		
Property, plant and equipment		
Buildings	484,953	484,953
Accumulated depreciation	△6,466	△11,315
Buildings, net	478,487	473,638
Facilities attached to buildings	166,821	166,821
Accumulated depreciation	△8,000	△14,255
Facilities attached to buildings, net	158,820	152,566
Structures	18,101	18,651
Accumulated depreciation	△609	△1,158
Structures, net	17,492	17,492
Vehicles	641	641
Accumulated depreciation	△641	△641
Vehicles, net	0	0
Tools, furniture and fixtures	187,550	193,814
Accumulated depreciation	△143,449	△160,201
Tools, furniture and fixtures, net	44,100	33,613
Land	292,589	292,589
Total property, plant and equipment	991,490	969,899
Intangible assets	36,649	41,354
Investments and other assets		
Investment securities	205,250	205,250
Other	101,228	31,261
Allowance for doubtful accounts	△355	—
Total investments and other assets	306,123	236,511
Total non-current assets	1,334,263	1,247,765
Total assets	2,719,298	2,688,488

(Thousands of yen)

	As of August 31,2023	As of February 29,2024
Liabilities		
Current liabilities		
Accounts payable - trade	129,468	89,268
Short-term borrowings	460,000	665,000
Income taxes payable	21,395	33,268
Provision for bonuses	53,036	46,050
Provision for product warranties	9,036	8,638
Provision for loss on orders received	1,765	12,640
Other	108,047	84,225
Total current liabilities	782,750	939,092
Non-current liabilities		
Asset retirement obligations	1,643	1,643
Total non-current liabilities	1,643	1,643
Total liabilities	784,393	940,735
Net assets		
Shareholders' equity		
Share capital	804,937	804,937
Capital surplus	794,937	794,937
Retained earnings	331,562	134,225
Total shareholders' equity	1,931,437	1,734,100
Accumulated other comprehensive income		
Foreign currency translation adjustment	3,467	13,652
Total accumulated other comprehensive income	3,467	13,652
Total net assets	1,934,904	1,747,752
Total liabilities and net assets	2,719,298	2,688,488

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 28,2023	Six months ended February 29,2024
Net sales	869,158	658,788
Cost of sales	560,484	462,098
Gross profit	308,673	196,690
Selling, general and administrative expenses	346,717	357,563
Operating loss	△38,044	△160,872
Non-operating income		
Interest and dividend income	142	77
Foreign exchange gains	13,522	39,296
Miscellaneous income	952	2,527
Total non-operating income	14,617	41,902
Non-operating expenses		
Interest expenses	80	1,355
Provision of allowance for doubtful accounts	—	618
Miscellaneous expenses	—	186
Total non-operating expenses	80	2,160
Ordinary loss	△23,506	△121,131
Extraordinary income		
Subsidy income	2,044	18
Total extraordinary income	2,044	18
Loss before income taxes	△21,461	△121,112
Income taxes - current	△8,220	6,967
Income taxes - deferred	△891	69,257
Total income taxes	△9,112	76,224
Loss	△12,349	△197,336
Loss attributable to owners of parent	△12,349	△197,336

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

(Thousands of yen)

	Six months ended February 28,2023	Six months ended February 29,2024
Loss	△12,349	△197,336
Other comprehensive income		
Foreign currency translation adjustment	523	10,185
Total other comprehensive income	523	10,185
Comprehensive income	△11,825	△187,151
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△11,825	△187,151
Comprehensive income attributable to non-controlling interests	—	—