



Consolidated Summary Report under Japanese GAAP for the fiscal year ended June 30, 2025

Company Name: AVANT GROUP CORPORATION
 Code Number: 3836
 Representative: (Title) Group CEO & Founder (Name) Tetsuji Morikawa
 For inquiry: (Title) Director, Group CFO (Name) Naoyoshi Kasuga
 Annual General Meeting of Shareholders date: September 24, 2025
 Securities report issue date: September 19, 2025
 Supplementary information for financial statements: Available
 Explanatory meeting to be held: Yes (for analysts)

Stock Exchange Listing: Tokyo
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Dividend payment date: September 25, 2025

(Millions of yen, rounded down to the nearest unit)

1. Consolidated financial results for the fiscal year ended June 30, 2025

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		EBITDA*		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended June 30, 2025	28,227	15.6	5,110	10.1	4,604	12.3	4,613	11.9	3,434	20.5
Fiscal year ended June 30, 2024	24,419	14.0	4,642	24.2	4,099	24.6	4,121	26.2	2,850	36.1

(Note) Comprehensive income for the fiscal year ended June 30, 2025 3,146 million yen (7.5%)
 for the fiscal year ended June 30, 2024 2,925 million yen (33.7%)

	Net profit per share	Diluted net profit per share	Ratio of net profit to shareholders' equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	yen	yen	%	%	%
Fiscal year ended June 30, 2025	94.15	—	23.8	19.9	16.3
Fiscal year ended June 30, 2024	76.62	—	22.3	20.3	16.8

(Reference) Share in profit of associated company for the fiscal year ended June 30, 2025: - million yen
 for the fiscal year ended June 30, 2024: - million yen

* EBITDA is derived by adding depreciation and amortization of goodwill to operating profit.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of June 30, 2025	24,373	15,597	63.9	426.96
As of June 30, 2024	21,896	13,293	60.7	362.95

(Reference) Shareholders' equity for the fiscal year ended June 30, 2025: 15,582 million yen
 for the fiscal year ended June 30, 2024: 13,293 million yen

(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
	million yen	million yen	million yen	million yen
Fiscal year ended June 30, 2025	4,469	(201)	(1,036)	15,162
Fiscal year ended June 30, 2024	3,680	(630)	(1,981)	11,976

2. Dividends

	Dividend per share					Total dividends 1st quarter-end	Dividend payout ratio (Consolidated) 2nd quarter-end	Dividend on net assets ratio (Consolidated) 3rd quarter-end
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Fiscal year ended June 30, 2024	yen —	yen 0.00	yen —	yen	19.00	yen 708	yen 24.8	yen 5.5
Fiscal year ended June 30, 2025	—	0.00	—		25.00	930	26.6	6.3
June 30, 2026(forecast)	—	0.00	—		32.00		—	

3. Consolidated earnings forecast for the fiscal year ending June 30, 2026

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net profit per share
	million yen	%	million yen	%	million yen		million yen	%	million yen
Fiscal year ending June 30, 2026	33,300	18.0	5,100	10.8	5,100	10.6	3,500	1.9	95.56

Note Since the Company manages its operations on an annual basis, consolidated earnings forecasts for the second quarter (cumulative) are not provided. For details, please refer to "1. Qualitative Information on Financial Results (4) Earnings Forecasts" on page 8 of the attached document.

Notes

(1) Significant changes in subsidiaries during the period : Yes

Newly added to the scope of consolidation: 2 companies, DivaCygnet Private Limited, VISTA CORPORATION

Newly deleted from the scope of consolidation: Nil

(2) Changes in accounting policies, accounting estimates and restatement

1) Changes in accounting policies due to revision of accounting standards : Yes

2) Changes in accounting policies due to reasons other than item 1) above : No

3) Changes in accounting estimates : No

4) Restatement : No

Note For details, please refer to page 19 of the attached materials, "3. Consolidated financial statements and notes (5) Notes to consolidated financial statements (changes in accounting policies).

(3) Number of issued shares (common shares)

1) Total number of issued shares including treasury shares

As of June 30, 2025	37,645,851shares	As of June 30, 2024	37,645,851shares
As of June 30, 2025	1,150,177shares	As of June 30, 2024	1,019,398shares
Fiscal year ended June 30, 2025	36,479,901shares	Fiscal year ended June 30, 2024	37,206,951shares

2) Number of treasury shares held

3) Average number of shares

Note Beginning with the fiscal year ended June 30, 2024 (28th term), the Company introduced the "Stock Delivery Trust for Employees and Executive Officers, and from the fiscal year ending June 30, 2025 (29th term), the "Stock Delivery Trust for Directors". The shares of the Company held by these trusts are included in the number of treasury shares held at the end of the period and the average number of treasury shares held during the period.

* This release is outside the scope of audit procedures by certified public accountants and audit firms.

* Explanation on appropriate use of forecast and other special items

Forward-looking statements in this report, including earnings forecasts, are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements are not guarantees by the Company regarding future performance. Actual results may differ materially from the forecast depending on a range of factors. Please refer to "1. Qualitative Information on Financial Results (4) Earnings Forecasts" on page 8 of the attached document for the assumptions behind the earnings forecasts and notes for using earnings forecasts.

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1. Qualitative Information on Financial Results

(1) Explanation on Operating Results

Consolidated financial results for the current fiscal year are as follows

(Millions of yen, rounded down to the nearest unit)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025	Year-on-year change	
			Amount	%
Net sales	24,419	28,227	3,807	3,807
Operating profit	4,099	4,604	505	505
Ordinary profit	4,121	4,613	491	491
Profit attributable to owners of parent	2,850	3,434	583	583

Regarding consolidated net sales, investment needs to maintain and strengthen competitiveness through "the sophistication of corporate management and business activities using data and digital technology," which is becoming a mid- to long-term trend among Japanese companies, remained strong. Consolidated net sales for the current consolidated fiscal year amounted to ¥28,227 million (up 15.6% year-on-year), as all three businesses (Consolidated Financial Disclosure Business, Digital Transformation Promotion Business and Business Management Solutions Business) achieved sales growth.

Regarding profits, although there was an increase in personnel expenses and IT costs associated with business expansion, outsourcing costs to accommodate increased orders, and investment expenses primarily aimed at strengthening the software business for future growth, improvements in profit margins driven by the growth of the software business, as well as a rebound from the low profit levels in the Management Solutions Business in the previous year, resulted in operating profit of ¥4,604 million (an 12.3% year-on-year increase), ordinary profit of ¥4,613 million (an 11.9% year-on-year increase), and profit attributable to owners of parent of ¥3,434 million (a 20.5% year-on-year increase).

The status of each reportable segment is as follows.

1) Net sales

(Millions of yen, rounded down to the nearest unit)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025	Year-on-year change	
			Amount	%
Consolidated Financial Disclosure Business	7,537	8,720	1,183	15.7
Digital Transformation Promotion Business	8,846	10,318	1,471	16.6
Management Solutions Business	8,518	9,537	1,019	12.0
Elimination of inter-segment transactions	(483)	(349)	133	—
Consolidated net sales	24,419	28,227	3,807	15.6

2) Operating profit

(Millions of yen, rounded down to the nearest unit)

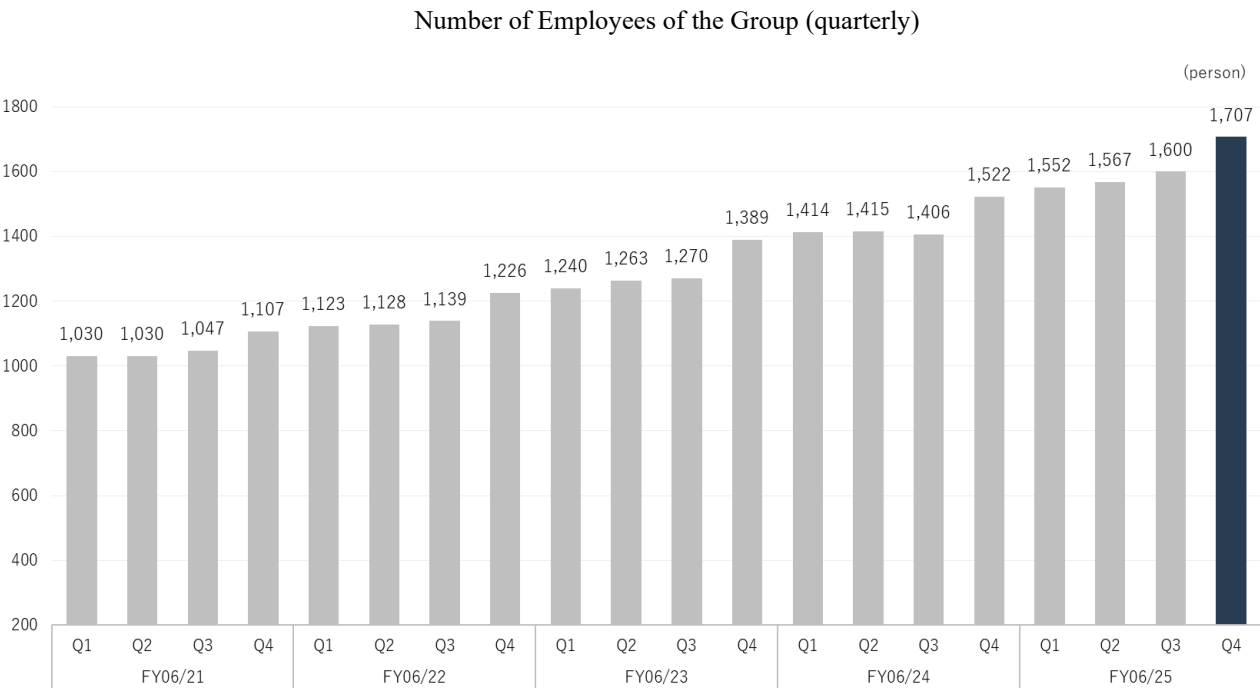
	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025	Year-on-year change	
			Amount	%
Consolidated Financial Disclosure Business	1,840	2,160	320	17.4
Digital Transformation Promotion Business	1,633	1,716	82	5.1
Management Solutions Business	1,407	1,746	338	24.1
Corporate expenses and elimination of inter-segment transactions	(782)	(1,019)	(237)	—
Consolidated operating profit	4,099	4,604	505	12.3

In the Consolidated Financial Disclosure Business, the outsourcing business continued to maintain a high growth rate and contributed to increased net sales. In addition, the software business saw an increase in net sales due to a review of pricing strategy, resulting in net sales of ¥8,720 million (a year-on-year increase of 15.7%). In terms of profitability, although there were cost increases such as higher personnel expenses due to an increase in staff, increased office expenses associated with office expansion, and an increase in research and development expenses to strengthen the software business, the effects of improvements such as the review of pricing strategy in the software business have begun to appear, leading to improved profit margins. As a result, operating profit was ¥2,160 million (a year-on-year increase of 17.4%), representing an increase in profit.

In the Digital Transformation Promotion Business, although a large-scale project was cancelled, demand for utilizing data in management and business decision-making remained robust. As a result, an increase in projects centered on “cloud and data platform construction” drove higher net sales, which reached ¥10,318 million (a year-on-year increase of 16.6%). In terms of profitability, there was a deterioration due to increased personnel expenses resulting from workforce expansion to support sales growth and higher compensation levels to enhance recruitment competitiveness, as well as an increase in outsourcing expenses to supplement internal resources. Additionally, the cancellation of the aforementioned large-scale project negatively impacted profitability. Nevertheless, operating profit also increased to ¥1,716 million (a year-on-year increase of 5.1%) due to the growth in net sales.

In the Management Solutions Business, while the transformation of the earnings structure centered on the software business is still underway, results have begun to emerge in the group management solutions business area, resulting in net sales of ¥9,537 million (a year-on-year increase of 12.0%), representing higher revenue. In terms of profitability, although there were cost-increasing factors such as an increase in personnel expenses, outsourcing expenses, and IT costs associated with business expansion, in addition to the aforementioned increase in net sales, there was also a rebound from the previous year, when profit had declined significantly due to stagnation in sales growth. As a result, operating profit was ¥1,746 million (a year-on-year increase of 24.1%), significantly outpacing the growth in net sales.

The number of employees on a consolidated basis was 1,707 at the end of the fiscal year, up 185 from the end of the previous fiscal year.



The status of orders received and net sales by segment for the current fiscal year is as follows.

1) Orders received

(Millions of yen, rounded down to the nearest unit)

	Fiscal year ended June 30, 2024		Fiscal year ended June 30, 2025		Year-on-year change	
					Amount	
	Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog
Consolidated Financial Disclosure Business	8,269	4,681	9,227	5,187	957	506
Digital Transformation Promotion Business	9,211	2,069	10,260	2,012	1,049	(57)
Management Solutions Business	9,410	4,006	9,708	4,177	298	171
Elimination of inter-segment transactions	(711)	(1,974)	(472)	(1,879)	238	95
Total	26,180	8,782	28,724	9,497	2,543	715

2) Net sales

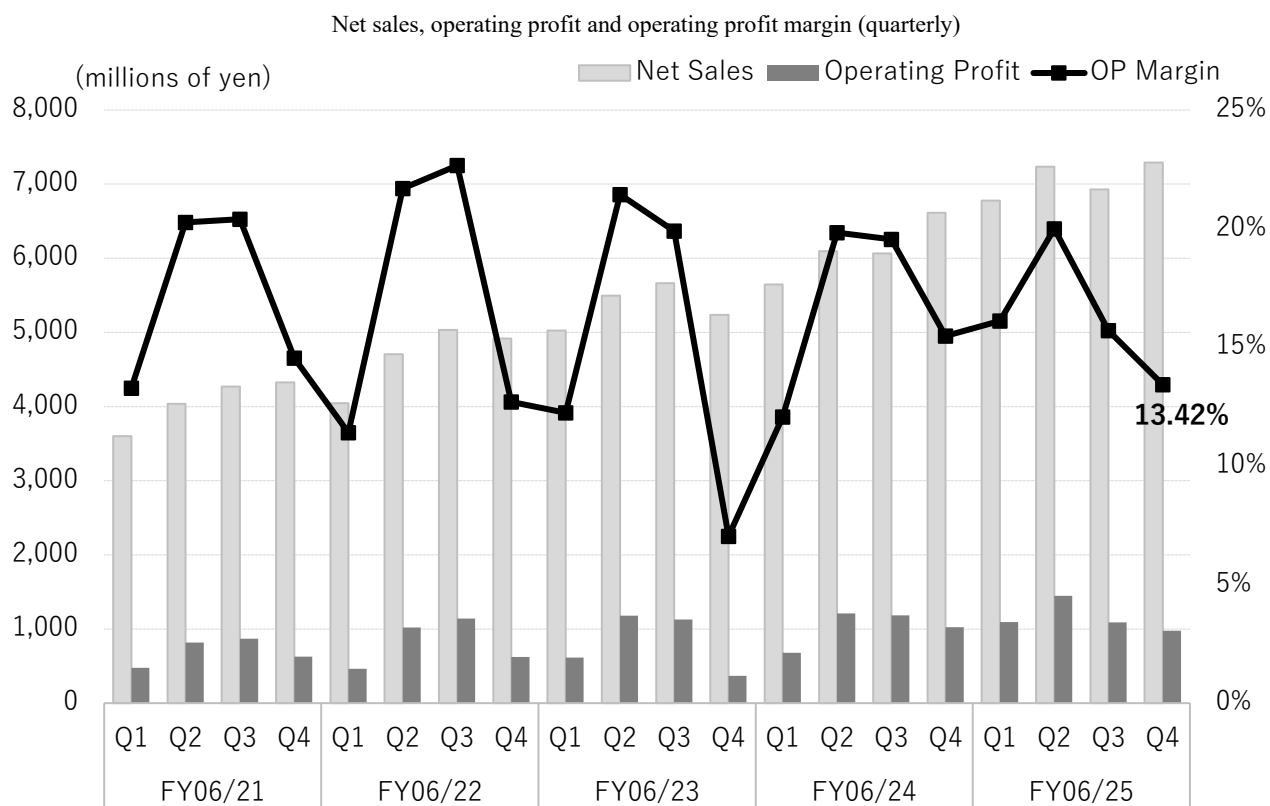
(Millions of yen, rounded down to the nearest unit)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025	Year-on-year change	
			Amount	%
Consolidated Financial Disclosure Business	7,537	8,720	1,183	15.7
Digital Transformation Promotion Business	8,846	10,318	1,471	16.6
Management Solutions Business	8,518	9,537	1,019	12.0
Elimination of inter-segment transactions	(483)	(349)	133	—
Total	24,419	28,227	3,807	15.6

Quarterly trends in net sales and operating profit are as follows.
Net sales and operating profit for the last four quarters

(Millions of yen, rounded down to the nearest unit)

	Fiscal year ended June 30, 2025			
	First quarter	Second quarter	Third quarter	Fourth quarter
Net sales	6,776	7,235	6,927	7,289
Operating profit	1,091	1,446	1,088	978
Operating profit margin (%)	16.1	20.0	15.7	13.4



(2) Explanation on Financial Position

Total assets at the end of the consolidated fiscal year amounted to ¥24,373 million, representing an increase of ¥2,476 million compared to the previous consolidated fiscal year. This was primarily due to an increase of ¥3,718 million in cash and deposits, a decrease of ¥512 million in accounts receivable - other, a decrease of ¥527 million in deposits paid, and a decrease of ¥266 million in software, among other factors.

On the other hand, total liabilities amounted to ¥8,775 million, representing an increase of ¥171 million compared to the end of the previous consolidated fiscal year. This was mainly due to an increase of ¥421 million in contract liabilities and a decrease of ¥186 million in income taxes payable.

Total net assets amounted to ¥15,597 million (up ¥2,304 million from the end of the previous consolidated fiscal year), mainly due to profit attributable to owners of parent of ¥3,434 million and payment of ¥708 million in dividends of surplus. As a result, the Company's shareholders' equity ratio was 63.9% (60.7% at the end of the previous consolidated fiscal year), an improvement of 3.2 percentage points from the previous consolidated fiscal year, and the Company believes it maintains a highly stable financial balance with few interest-bearing liabilities.

(3) Explanation on Cash Flows

Cash and cash equivalents ("funds") at the end of the current consolidated fiscal year amounted to ¥15,162 million, up ¥3,185 million from the end of the previous fiscal year. Cash flows and their factors are as follows.

(Cash flows from operating activities)

Cash generated from operating activities amounted to ¥4,469 million. (In the previous consolidated fiscal year, ¥3,680 million was generated.)

The main sources were profit before income taxes of ¥4,931 million, depreciation of ¥506 million, a decrease in trade receivables and contract assets of ¥211 million, an increase in contract liabilities of ¥421 million, and an income taxes refund of ¥339 million. The main uses were a decrease in accounts payable - other, and accrued expenses of ¥327 million, and income taxes paid of ¥1,727 million.

(Cash flows from investing activities)

Cash used in investing activities amounted to ¥201 million. (In the previous consolidated fiscal year, ¥630 million was used.)

The main uses were purchase of investment securities of ¥242 million and payments of leasehold and guarantee deposits of ¥344 million, while the main source was proceeds from sale and redemption of investment securities of ¥410 million.

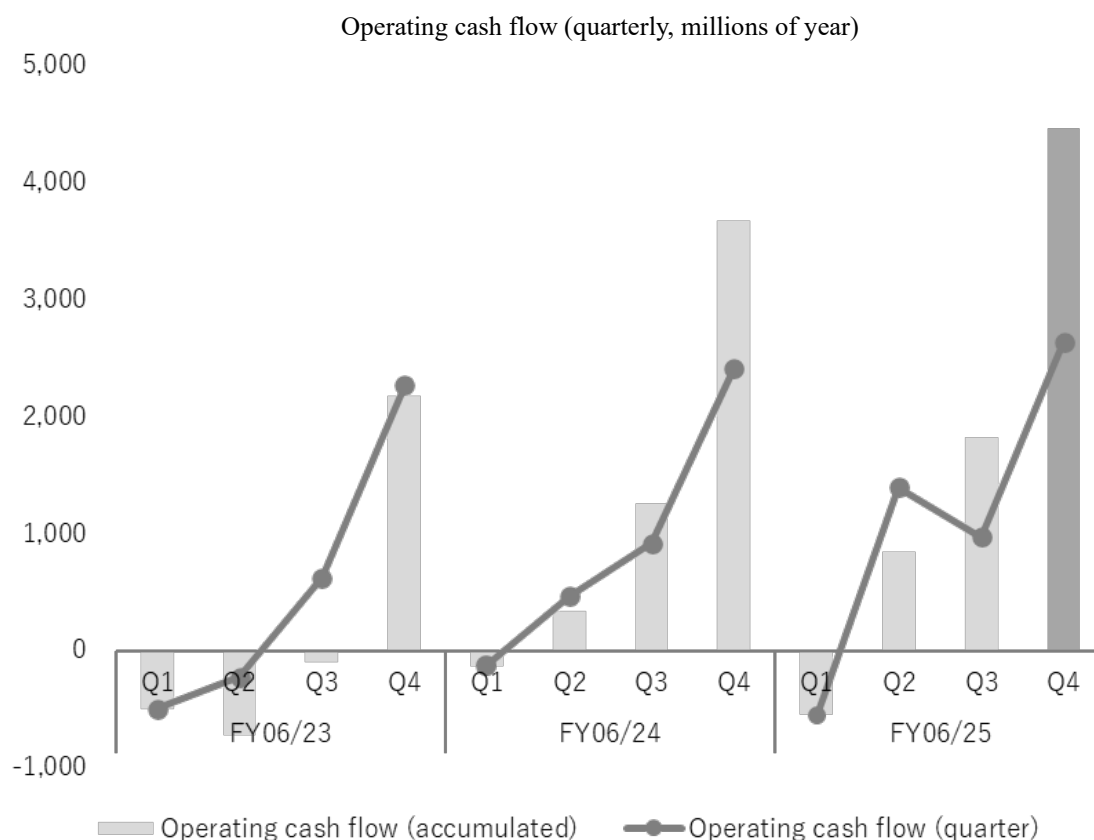
(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥1,036 million. (In the previous consolidated fiscal year, ¥1,981 million was used.)

The main uses were purchase of treasury shares of ¥701 million and cash dividends paid of ¥708 million, and the main source was proceeds from sale of treasury shares ¥376 million.

In the Group, cash flow from operating activities in the first quarter is typically at a low level due to the payment of income taxes and the payment of performance-based bonuses to officers and employees. It then gradually increases from the second quarter onward, and is usually positive over the full fiscal year.

Maintenance fees in the Management Solutions Business and commissions paid for the outsourcing business are paid annually in advance of the provision of services, so as a result, the business model requires almost no working capital. On the other hand, in the Digital Transformation Promotion Business as outsourcing costs and other expenses are paid in advance, working capital demand will increase as sales grow. However, by concentrating the excess funds of the Group as a whole in the holding company, the Group is able to smoothly extend funds across the Group. In addition to the total amount of cash held, the Group has established a commitment line totaling ¥3.5 billion with banks with which it does business. Accordingly, at present there are no concerns about funding.



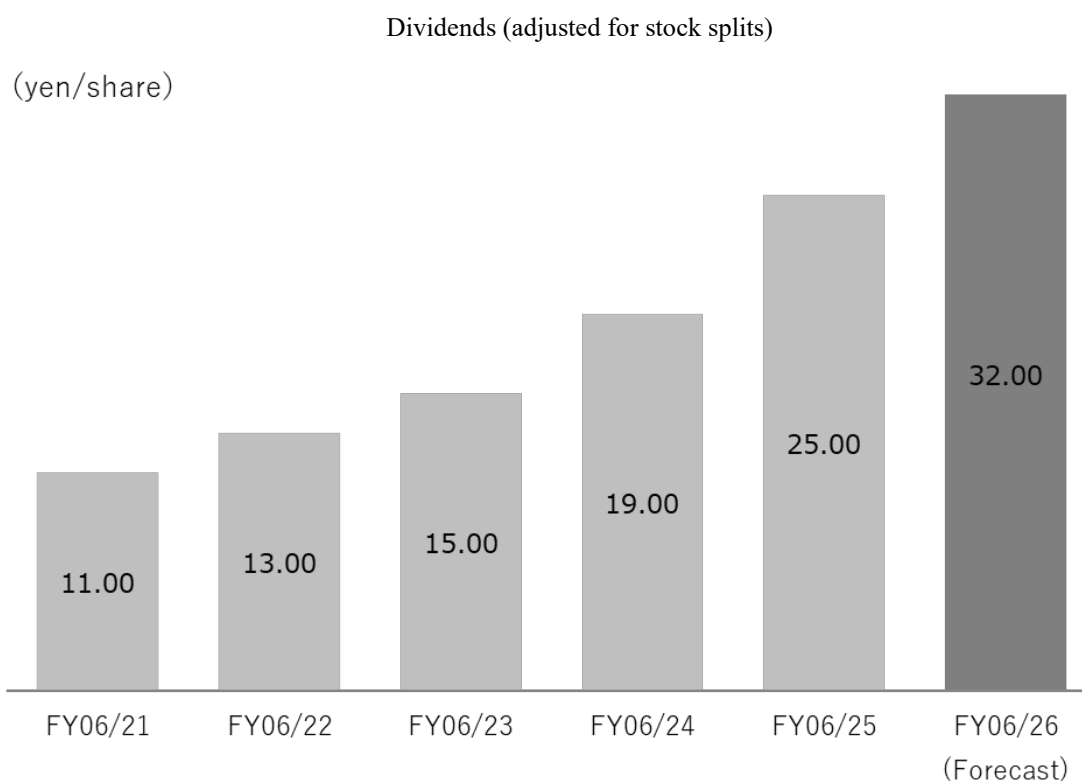
(4) Explanation on Earnings Forecast

In August 2023, the Company announced a new medium-term management plan, a five-year plan through the fiscal year ending June 2028, with targets to be achieved in five years. In the fiscal year ending June 2026, the third year of the plan, the Group will continue to promote measures to realize the Avant Group's materiality ("Becoming a software company that contributes to enhancing corporate value"), with a focus on strengthening the software business. We expect that the growth investments necessary to realize our materiality will continue to be implemented continuously and flexibly, primarily centered on our group operating companies, and additionally, we anticipate that R&D expenses for new product development and investment costs for launching new businesses will also be incurred at the holding company level, and expect these effects to gradually emerge over the five-year period.

Although unstable factors such as continued inflation due to soaring raw materials prices and concerns of an economic recession due to the impact of U.S. policy trends may affect the Group's performance, we believe that demand for the Group's businesses, such as an increase in the number of companies that want to utilize data for management and strengthen group governance, will continue to increase in the medium to long term. As a result, the Company forecasts net sales of ¥33,300 million and operating profit of ¥5,100 million in the next consolidated fiscal year.

In accordance with our existing dividend policy, we will raise the ratio of total amount of dividends to net assets, always being conscious of exceeding the average of all listed companies, while at the same time striving to maintain stable dividends (in principle, dividends per share should not fall below the level of the previous fiscal year). The dividend for the current fiscal year will remain unchanged from the forecast at ¥25 per share, which will be submitted to the Company's general meeting of shareholders to be held on September 24, 2025.

For the next fiscal year, the above policy itself remains unchanged, and we forecast dividends of ¥32 per share, aiming to achieve the ratio of total amount of dividends to net assets (consolidated) of 8%, which is our target to be achieved within the period of our new medium-term management plan.



2. Basic Rationale for Selection of Accounting Standards

For the time being, the Group's policy is to prepare consolidated financial statements in accordance with Japanese GAAP.

The Group's policy is to adopt IFRS as appropriate, taking into consideration various circumstances in Japan and overseas.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	Prior fiscal year (As of June 30, 2024)	Current fiscal year (As of June 30, 2025)
Assets		
Current assets		
Cash and deposits	10,874,892	14,593,169
Notes and accounts receivable - trade, and contract assets	4,440,280	4,228,796
Securities	500,000	500,000
Work in process	5,880	17,868
Raw materials and supplies	81,871	55,016
Prepaid expenses	1,120,837	1,163,320
Accounts receivable - other	518,540	5,728
Deposits paid	527,976	314
Other	135,407	205,244
Allowance for doubtful accounts	(4,141)	(3,516)
Total current assets	18,201,545	20,765,941
Non-current assets		
Property, plant and equipment		
Buildings	561,381	691,499
Accumulated depreciation	(233,278)	(341,024)
Buildings, net	328,102	350,475
Vehicles	1,956	1,956
Accumulated depreciation	(936)	(1,956)
Vehicles, net	1,020	0
Tools, furniture and fixtures	748,417	653,884
Accumulated depreciation	(588,552)	(501,797)
Tools, furniture and fixtures, net	159,864	152,087
Right-of-use assets	—	30,968
Accumulated depreciation	—	(3,946)
Right-of-use assets, net	—	27,022
Construction in progress	—	19,580
Total property, plant and equipment	488,987	549,165
Intangible assets		
Trademark rights	42,527	37,802
Software	609,376	342,474
Other	225	225
Total intangible assets	652,129	380,502
Investments and other assets		
Investment securities	1,037,000	830,184
Long-term prepaid expenses	19,118	10,158
Leasehold and guarantee deposits	630,981	826,752
Deferred tax assets	728,290	864,785
Other	138,853	145,566
Total investments and other assets	2,554,243	2,677,446
Total non-current assets	3,695,360	3,607,114
Total assets	21,896,905	24,373,055

(Thousands of yen)

	Prior fiscal year (As of June 30, 2024)	Current fiscal year (As of June 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	801,391	769,142
Lease liabilities	6,005	6,112
Accounts payable - other, and accrued expenses	850,208	783,077
Income taxes payable	984,232	797,648
Contract liabilities	3,345,483	3,766,666
Asset retirement obligations	—	49,224
Provision for bonuses	1,319,768	1,232,404
Provision for bonuses for directors (and other officers)	170,155	140,888
Provision for loss on orders received	17,912	11,363
Allowance for stock benefits	129,618	131,442
Accrued consumption taxes	461,061	523,566
Deposits received	221,975	227,053
Other	—	2,030
Total current liabilities	8,307,815	8,440,619
Non-current liabilities		
Lease liabilities	—	27,111
Asset retirement obligations	295,362	305,984
Deferred tax liabilities	—	1,350
Total non-current liabilities	295,362	334,446
Total liabilities	8,603,177	8,775,065
Net assets		
Shareholders' equity		
Share capital	345,113	345,113
Capital surplus	281,913	417,417
Retained earnings	13,763,738	16,490,130
Treasury shares	(1,396,622)	(1,688,845)
Total shareholders' equity	12,994,141	15,563,815
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	224,019	(1,193)
Deferred gains or losses on hedges	2,862	(2,921)
Foreign currency translation adjustment	72,704	22,354
Total accumulated other comprehensive income	299,586	18,239
Non-controlling interests	—	15,934
Total net assets	13,293,728	15,597,989
Total liabilities and net assets	21,896,905	24,373,055

(2) Consolidated Statement of Income and Statement of Comprehensive Income

Consolidated Statement of Income

	(Thousands of yen)	
	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Net sales	24,419,760	28,227,703
Cost of sales	13,491,038	15,649,179
Gross profit	10,928,722	12,578,523
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	401,146	424,236
Employees' salaries and bonuses	1,807,230	2,149,746
Provision for bonuses	1,277,449	1,225,693
Provision for bonuses for directors (and other officers)	167,627	206,777
Legal welfare expenses	281,454	338,761
Share-based payment expenses	145,975	143,954
Outsourcing expenses	97,870	160,216
Rent expenses on land and buildings	184,546	218,777
Utilities expenses	82,190	80,696
Commission expenses	858,541	1,005,262
Depreciation	259,901	267,495
Research and development expenses	190,124	360,974
Other	1,075,538	1,391,782
Total selling, general and administrative expenses	6,829,599	7,974,374
Operating profit	4,099,123	4,604,149
Non-operating income		
Interest income	109	11,572
Dividend income	12,296	11,238
Gain on investments in investment partnerships	12,864	—
Foreign exchange gains	—	1,641
Subsidy income	9,404	16,593
Other	15,875	4,521
Total non-operating income	50,550	45,566
Non-operating expenses		
Interest expenses	243	1,751
Loss on investments in investment partnerships	13,750	16,035
Commission expenses	10,863	17,079
Foreign exchange losses	2,483	—
Share issuance costs	—	91
Other	589	1,738
Total non-operating expenses	27,929	36,696
Ordinary profit	4,121,744	4,613,019

	(Thousands of yen)	
	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Extraordinary profit		
Gain on sales of investment securities	—	318,265
Insurance income	14,030	300
Penalty income	16,961	—

Total extraordinary income	30,991	318,565
Extraordinary losses		
Loss on retirement of non-current assets	—	252
Loss on cancellation of leases	—	86
Settlement money	21,076	—
Total extraordinary losses	21,076	339
Profit before income taxes	4,131,659	4,931,245
Income taxes - current	1,475,358	1,535,316
Income taxes - deferred	(194,621)	(333,485)
Total income taxes	1,280,736	1,501,831
Profit	2,850,922	3,429,414
Profit attributable to non-controlling interests	—	(5,273)
Profit attributable to owners of parent	2,850,922	3,434,688

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Profit	2,850,922	3,429,414
Other comprehensive income		
Valuation difference on available-for-sale securities	40,093	(225,212)
Deferred gains or losses on hedges	2,560	(5,784)
Foreign currency translation adjustment	32,292	(51,821)
Total other comprehensive income	74,946	(282,818)
Comprehensive income	2,925,868	3,146,596
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,925,868	3,153,341
Comprehensive income attributable to non-controlling interests	—	(6,745)

(3) Consolidated Statement of Changes in Net Assets

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(Thousands of yen)

	Shareholders' equity					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	345,113	281,913	11,477,458	(608)	12,103,876	
Changes during period						
Dividends of surplus			(564,642)		(564,642)	
Disposal of treasury shares					—	
Increase in consolidated subsidiaries - non-controlling interests					—	
Profit attributable to owners of parent			2,850,922		2,850,922	
Purchase of treasury shares				(477,635)	(477,635)	
Purchase of treasury shares				(918,379)	(918,379)	
Net changes in items other than shareholders' equity						
Total changes during period	—	—	2,286,279	(1,396,014)	890,264	
Balance at end of period	345,113	281,913	13,763,738	(1,396,622)	12,994,141	
	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	183,925	302	40,411	224,639	—	12,328,516
Changes during period						
Dividends of surplus						(564,642)
Disposal of treasury shares						—
Increase in consolidated subsidiaries - non-controlling interests						—
Profit attributable to owners of parent						2,850,922
Purchase of treasury shares						(477,635)
Purchase of treasury shares						(918,379)
Net changes in items other than shareholders' equity	40,093	2,560	32,292	74,946	—	74,946
Total changes during period	40,093	2,560	32,292	74,946	—	965,211
Balance at end of period	224,019	2,862	72,704	299,586	—	13,293,728

Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Shareholders' equity					
	Treasury shares	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	345,113	281,913	13,763,738	(1,396,622)	12,994,141	
Changes during period						
Dividends of surplus			(708,296)		(708,296)	
Disposal of treasury shares		135,504		409,041	544,545	
Increase in consolidated subsidiaries - non-controlling interests					—	
Profit attributable to owners of parent			3,434,682		3,434,682	
Purchase of treasury shares				(351,351)	(351,351)	
Purchase of treasury shares				(349,911)	(349,911)	
Net changes in items other than shareholders' equity						
Total changes during period	—	135,504	2,726,391	(292,222)	2,569,673	
Balance at end of period	345,113	417,417	16,490,130	(1,688,845)	15,563,815	
	Accumulated other comprehensive income				Non-controlling interests Deferred gains or losses on hedges	Total net assets Foreign currency translation adjustment
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Valuation difference on available-for-sale securities		
Balance at beginning of period	224,019	2,862	72,704	299,586	—	13,293,728
Changes during period						
Dividends of surplus						(708,296)
Disposal of treasury shares						544,545
Increase in consolidated subsidiaries - non-controlling interests					22,680	22,680
Profit attributable to owners of parent						3,434,682
Purchase of treasury shares						(351,351)
Purchase of treasury shares						(349,911)
Net changes in items other than shareholders' equity	(225,212)	(5,784)	(50,349)	(281,346)	(6,745)	(288,091)
Total changes during period	(225,212)	(5,784)	(50,349)	(281,346)	15,934	2,304,261
Balance at end of period	(1,193)	(2,921)	22,354	18,239	15,934	15,597,989

(4) Consolidated Statement of Cash Flows

	(Thousands of yen)	
	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Cash flows from operating activities		
Profit before income taxes	4,131,659	4,931,245
Depreciation	543,472	506,567
Insurance income	(14,030)	(300)
Penalty income	(16,961)	—
Settlement money	21,076	—
Increase (decrease) in allowance for doubtful accounts	519	(625)
Increase (decrease) in provision for bonuses	281,438	(87,363)
Increase (decrease) in provision for bonuses for directors (and other officers)	(2,225)	(29,266)
Increase (decrease) in provision for loss on orders received	(43,681)	(6,549)
Increase (decrease) in provision for share benefits	129,618	1,823
Interest and dividend income	(12,406)	(22,810)
Interest expenses	243	1,751
Commission expenses	10,863	17,079
Share issuance costs	—	91
Loss (gain) on investments in investment partnerships	886	16,035
Subsidy income	(9,404)	(16,593)
Share-based payment expenses	16,906	9,704
Decrease (increase) in notes and accounts receivable trade and contract assets	(1,476,902)	211,272
Decrease (increase) in inventories	38,545	14,867
Decrease (increase) in prepaid expenses	(284,188)	(12,569)
Increase (decrease) in trade payables	166,633	(32,245)
Increase (decrease) in accounts payable - other, and accrued expenses	400,793	(327,789)
Increase (decrease) in accrued consumption taxes	110,242	62,504
Loss (gain) on sale of investment securities	(205)	(318,265)
Loss (gain) on sale and retirement of property, plant and equipment	—	140
Increase (decrease) in contract liabilities	549,397	421,182
Increase (decrease) in deposits received	37,706	5,077
Other	(223,055)	480,659
Subtotal	4,356,941	5,825,623
Interest and dividends received	12,406	16,548
Interest paid	(243)	(1,751)
Subsidies received	9,404	16,593
Amount of insurance proceeds received	14,030	300
Penalty payments received	16,961	—
Settlement payments	(21,076)	—
Income taxes paid	(1,273,477)	(1,727,241)
Income tax refund	565,680	339,657
Cash flows from operating activities	3,680,627	4,469,729

(Thousands of yen)

	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Cash flows from investing activities		
Purchase of property, plant and equipment	(159,798)	(75,541)
Purchase of intangible assets	(222,203)	(56,484)
Purchase of investment securities	(189,992)	(242,731)
Payments of leasehold and guarantee deposits	(55,737)	(344,289)
Proceeds from refund of leasehold and guarantee deposits	—	149,599
Purchase of insurance funds	(4,459)	(4,459)
Proceeds from sale and redemption of investment securities	1,516	410,025
Payments into time deposits	—	(37,590)
Other	(195)	228
Cash flows from investing activities	(630,871)	(201,243)
Cash flows from financing activities		
Repayments of finance lease liabilities	(12,291)	(9,024)
Commission fee paid	(8,962)	(17,083)
Purchase of treasury shares	(1,396,014)	(701,263)
Dividends paid	(564,642)	(708,296)
Proceeds from share issuance to non-controlling shareholders	—	22,680
Proceeds from sale of treasury shares	—	376,265
Other	—	(91)
Cash flows from financing activities	(1,981,911)	(1,036,813)
Effect of exchange rate change on cash and cash equivalents	27,428	(46,212)
Net increase (decrease) in cash and cash equivalents	1,095,273	3,185,460
Cash and cash equivalents at beginning of period	10,881,311	11,976,585
Cash and cash equivalents at end of period	11,976,585	15,162,045

(5) Notes to Consolidated Financial Statements

(Note on Going Concern Assumption)

Not applicable.

(Changes in accounting policies)

(Application of Accounting Standards for Income Taxes - Current, etc.)

The “Accounting Standard for Income Taxes - Current” (Accounting Standard No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standard”) and related standards have been applied from the beginning of the current consolidated fiscal year.

With regard to the amendment concerning the category of income taxes (taxation on other comprehensive income), we are following the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standards, as well as the transitional treatment stipulated in the proviso to Paragraph 65-2(2) of the “Implementation Guidance on Accounting Standards for Tax Effect Accounting” (Accounting Standards Board of Japan Guidance No. 28, October 28, 2022).

There is no impact on the consolidated financial statements as a result of these changes in accounting policies.

(Notes on Additional Information)

(Transaction for the delivery of the Company's shares to employees and executive officers through a trust)

The Company has introduced a share grant trust as an incentive for its employees and executive officers (hereinafter referred to as 'Employees, etc.') to provide benefits and to enhance the Company's corporate value.

1. Outline of the transaction

Under this scheme, in accordance with the share delivery regulations established by the Company in advance, points are granted to Employees, etc. who fulfil certain requirements, and the Company shares corresponding to the number of points granted to such beneficiaries are delivered to those Employees, etc. who fulfil the requirements to be beneficiaries as stipulated in the share delivery regulations. The shares to be granted are acquired in accordance with the amount set in the trust in advance, including the future portion, and are segregated and managed as trust assets.

2. Company shares remaining in the trust

The Company's shares remaining in the trust are recorded as treasury shares under net assets based on the book value (excluding incidental expenses) in the trust. The book value and number of shares of such treasury shares were ¥918,379 thousand and 652,300 shares at the end of the previous consolidated fiscal year and ¥788,116 thousand and 559,778 shares at the end of the current consolidated fiscal year.

(Performance-linked stock-based compensation plan for directors)

Starting from the fiscal year ending June 2025 (the 29th term), the Company has introduced a stock-based compensation plan utilizing a trust (the "Plan") for its directors (excluding directors who are Audit Committee members and outside directors).

The purpose of this system is to provide directors (excluding directors who are Audit Committee members and outside directors) with long-term incentives to enhance corporate value, including the period after stocks have been granted.

1. Outline of the transaction

The Plan is a stock compensation plan under which a trust (the "Trust") established through monetary contributions by the Company acquires shares of the Company's common stock (hereinafter referred to as "the Company's shares"), and a number of the Company's shares equivalent to the points granted to each director by the Company are delivered to each director through the Trust.

2. Company shares remaining in the trust

The Company's shares remaining in the trust are recorded as treasury shares under net assets at the book value in the trust (excluding incidental expenses). As of the end of the consolidated fiscal year, the book value and number of shares of such treasury shares were ¥349,911 thousand and 178,800 shares, respectively.

(Revenue Recognition)

Breakdown of net sales from contracts with customers

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(Thousands of yen)

	Reportable segments			Total
	Consolidated Financial Disclosure Business	Digital Transformation Promotion Business	Management Solutions Business	
Goods or services transferred at a point in time	179,031	36,834	148,019	363,885
Goods or services that are transferred over a period of time	6,988,003	8,777,211	8,290,660	24,055,874
Sales from contracts with customers	7,167,034	8,814,046	8,438,680	24,419,760
Other sales	—	—	—	—
Net sales to external customers	7,167,034	8,814,046	8,438,680	24,419,760

Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Reportable segments			Total
	Consolidated Financial Disclosure Business	Digital Transformation Promotion Business	Management Solutions Business	
Goods or services transferred at a point in time	255,124	115	90,439	345,679
Goods or services that are transferred over a period of time	8,171,413	10,300,268	9,410,341	27,882,023
Sales from contracts with customers	8,426,538	10,300,384	9,500,780	28,227,703
Other sales	—	—	—	—
Net sales to external customers	8,426,538	10,300,384	9,500,780	28,227,703

(Segment Information)

1. Overview of reportable segments

(1) Method of determining reportable segments

The Group's reportable segments are components of the Company for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

(2) Products and services in each reportable segment

The Consolidated Financial Disclosure Business supports corporate value creation through the development and maintenance of our proprietary software DivaSystem for consolidated management support and consolidated accounting, as well as the provision of outsourcing of consolidated and non-consolidated financial statements using this software. With regards the segment's position within the Group, we aim to establish a business model that combines both software and outsourcing businesses.

The Consolidated Financial Disclosure Business also includes information search services for disclosure documents provided by Internet Disclosure, Inc, primarily to audit firms.

The Digital Transformation Promotion Business supports the promotion of digital transformation at companies and data-driven management through consulting and system development services, including the provision of a data platform for utilizing all kinds of data related to companies, to AI and BI solutions that can analyze, predict and enable data visualization. From major cloud vendors to multi-cloud compatible software, customers can find out about the latest data utilization methods and generative AI specializing in data utilization, as well as train engineers and develop their own data utilization platform products. The suite of products offered is also slated for expansion.

The Management Solutions Business focuses on group management, consolidated accounting, and business management, with the aim of visualizing and maximizing the "invisible value" of companies. We provide comprehensive support, from consulting to system planning, development, implementation, operation, and maintenance, all in a one-stop manner. In addition to developing our own software, we also integrate software developed by other companies. By making full use of the Group assets, we continuously create solutions that provide management information to enhance corporate value.

2. Method of calculating net sales, income or loss, assets, liabilities and other items by reportable segment

The accounting method for the reportable business segments is generally the same as the accounting method used in preparing the consolidated financial statements.

Reportable segment income figures are based on operating profit.

Inter-segment net sales and transfers are based on prevailing market prices.

3. Information on net sales, income or loss, assets, liabilities and other items by reportable segment

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(Thousands of yen)

	Reportable segments				Adjustments (Note) 1	Amount recorded on consolidated financial statements (Note) 2
	Consolidated Financial Disclosure Business	Digital Transformation Promotion Business	Management Solutions Business	Total		
Net sales						
Net sales to external customers	7,167,034	8,814,046	8,438,680	24,419,760	—	24,419,760
Inter-segment net sales or transfers	370,623	32,882	79,640	483,146	△483,146	—
Total	7,537,658	8,846,928	8,518,320	24,902,907	△483,146	24,419,760
Segment profit	1,840,440	1,633,351	1,407,897	4,881,689	△782,566	4,099,123
Segment assets	5,894,144	3,915,781	7,821,307	17,631,233	4,265,672	21,896,905
Segment liabilities	3,449,792	2,141,607	4,782,143	10,373,543	△1,770,365	8,603,177
Other items						
Depreciation	155,629	12,479	245,465	413,575	129,897	543,472
Increase in property, plant and equipment, and intangible assets	80,215	16,342	172,375	268,933	113,069	382,002

(Note) 1. The adjustments to segment profit in the amount of (¥782,566) thousand include elimination of inter-segment transactions of ¥908,866 thousand, company-wide expenses not allocated to each reportable segment of (¥1,682,534) thousand, and adjustments to non-current assets of (¥8,898) thousand. Company-wide expenses mainly consist of general and administrative expenses not attributable to the reportable segments.

2. Segment profit is adjusted to reconcile with operating profit in the consolidated statement of income.

3. The adjustments to depreciation mainly refer to depreciation of assets not attributable to reportable segments.

4. The adjustments to the increase in property, plant and equipment and intangible assets are primarily related to assets not attributable to the reportable segments.

Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Reportable segments				Adjustments (Note) 1 Digital Transformation Promotion Business	Amount recorded on consolidated financial statements (Note) 2 Management Solutions Business
	Consolidated Financial Disclosure Business	Digital Transformation Promotion Business	Management Solutions Business	Consolidated Financial Disclosure Business		
Net sales						
Net sales to external customers	8,426,538	10,300,384	9,500,780	28,227,703	—	28,227,703
Inter-segment net sales or transfers	294,448	17,874	37,055	349,378	(349,378)	—
Total	8,720,986	10,318,259	9,537,836	28,577,082	(349,378)	28,227,703
Segment profit	2,160,940	1,716,053	1,746,812	5,623,806	(1,019,657)	4,604,149
Segment assets	6,445,178	3,769,052	8,257,305	18,471,535	5,901,519	24,373,055
Segment liabilities	3,755,591	1,925,309	4,897,075	10,577,976	(1,802,910)	8,775,065
Other items						
Depreciation	152,417	11,995	238,076	402,488	104,078	506,567
Increase in property, plant and equipment, and intangible assets	52,623	17,795	24,352	94,770	37,254	132,025

(note) 1. The adjustments to segment profit of (¥1,019,657) thousand include elimination of inter-segment transactions of ¥1,060,212 thousand, company-wide expenses not allocated to reportable segments of (¥2,080,273) thousand, and adjustments to non-current assets of ¥402 thousand. Company-wide expenses mainly consist of general and administrative expenses not attributable to reportable segments.

2. Segment profit is adjusted to reconcile with operating profit in the consolidated statement of income.

3. The adjustments to depreciation mainly refer to depreciation of assets not attributable to reportable segments.

4. The adjustments to the increase in property, plant and equipment and intangible assets are primarily related to assets not attributable to the reportable segments.

(Per Share Information)

	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Net assets per share	362.95yen	426.96yen
Net profit per share	76.62yen	94.15yen

(Notes) 1. Diluted net profit per share is not provided as there are no dilutive shares.

2. Basis for calculation of net assets per share is as follows

項目	End of the previous consolidated fiscal year (June 30, 2024)	End of the current consolidated fiscal year (June 30, 2025)
Total of net assets (thousands of yen)	13,293,728	15,597,989
Amount deducted from total of net assets (thousands of yen)	—	15,934
(of which, non-controlling interests) (thousands of yen)	(-)	(15,934)
Net assets attributable to common shares (thousands of yen)	13,293,728	15,582,055
Number of common shares outstanding for calculating net assets per share (shares)	36,626,453	36,495,674

(Notes) We have introduced a share delivery trust for employees and executive officers, and a performance-linked stock-based compensation plan for directors. The Company's shares held by these trusts are recorded as treasury shares in shareholders' equity and excluded in the calculation of shares outstanding for the purpose of calculating net assets per share. At the end of the previous fiscal year there were 652,300 shares included in treasury shares, and at the end of the current fiscal year there were 738,578 shares included in treasury shares.

3. The basis for calculating net profit per share is as follows.

Item	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Profit attributable to owners of parent (thousands of yen)	2,850,922	3,434,688
Amounts not attributable to owners of common shares (thousands of yen)	—	—
Net profit attributable to owners of common shares of parent (thousands of yen)	2,850,922	3,434,688
Average number of common shares (shares)	37,206,951	36,479,901

(Note: We have introduced a share delivery trust for employees and executive officers, and a performance-linked stock-based compensation plan for directors. The Company's shares held by these trusts are recorded as treasury shares excluded in the calculation of average shares outstanding for the purpose of calculating net profit per share. The average number of treasury shares deducted for the calculation of net profit per share is 405,844 shares for the previous consolidated fiscal year and 640,834 shares for the current consolidated fiscal year.

(Subsequent Events)

(Acquisition of shares resulting in an equity-method affiliate)

AVANT GROUP CORPORATION has resolved by the board of directors on 30th April entered into a share subscription agreement with BEYONDSQUARE SOLUTIONS PRIVATE LIMITED (hereinafter “BeyondSquare Solutions”), and to acquire shares in the company., and BeyondSquare Solutions will become our equity-method affiliate from June 2026.

1. Reason for acquisition of shares

Our Group has adopted the vision of "BE GLOBAL"—becoming a globally recognized software company—and is committed to growing into a software company that contributes to enhancing corporate value. As part of this initiative, we have been exploring opportunities for overseas expansion in line with our ongoing medium-term management plan, “BE GLOBAL2028,” and beyond.

India, as a developing country experiencing rapid economic growth, is home to a diverse mix of large, mid-sized, medium and small enterprises. This dynamic environment presents significant opportunities for technology-led financial transformation. BeyondSquare Solutions, which predominantly provides consolidated accounting software to large and mid-sized enterprises within India, demonstrates strong business synergies with our group. Accordingly, we have decided to acquire shares in the company as part of our efforts to further expand our business footprint in this growing market.

2. Method of this transaction

The total planned investment will be executed in three stages.

In the first stage, new shares, convertible shares, and stock acquisition rights (warrants) will be issued. Upon confirmation of the most recent financial results, the convertible shares will be converted into common shares based on predetermined conditions. The second stage will involve the subscription of shares from existing shareholders. In the third stage, the warrants will be exercised and converted into common shares, subject to the achievement of pre-defined performance targets. The investment amount of this acquisition is fixed, while the amount of shares to be granted will be decided upon achievement.

3. Overview of the subsidiary (BeyondSquare Solutions) subject to change

(1)	Name	BeyondSquare Solutions Private Limited
(2)	Location	#632/18-2, 3rd floor, 10th B main road, Bangalore 560011, Karnataka, India
(3)	Job title and name of representative	CEO Palaghat Krishnan Venkatachalam
(4)	Description of business	Sales and development of consolidation and reporting accounting software
(5)	Share capital	INR 516,015,100
(6)	Date of establishment	December 2010

4. Overview of the counterparty to the acquisition of shares

(1)	Name	Karthik Ganeshan, other individual
(2)	Address	Bangalore, Karnataka, India and others
(3)	Relationship between the Company and said person	There are no capital, personnel and business relationships between the Company, including its related individuals and affiliates, and the concerned individual.

5. Timetable

(1)	Date of resolution at the meeting of the Board of Directors	April 30, 2025
(2)	Date of conclusion of the agreement	August 1, 2025
(3)	Date of commencement of share transfer	August 2025 (scheduled)
(4)	Date of the second share transfer	August 2025 (scheduled)
(4)	Date of the third share transfer	August 2026 (scheduled)

6. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

(1)	Number of shares held before the change	0 shares (Number of voting rights: 0 units, Ratio of voting rights held: 0%)
(2)	Number of shares to be acquired	1,768,292 shares (Estimated amount) (Number of voting rights: 1,768,292 units) (Estimated amount) *Number of actual shares to be acquired will be determined by pre-defined performance targets.
(3)	Acquisition costs	<div> <div>ommon shares of BeyondSquare Solution</div> <div>USD 4 million</div> </div> <div> <div>Advisory fees, etc. (Estimated amount)</div> <div>USD 150 thousand</div> </div> <div> <div>Total (Estimated amount)</div> <div>USD 4,150 thousand</div> </div>
(4)	Number of shares held after the change	1,768,292shares (Estimated amount) (Number of voting rights: 1,768,292 units) (Estimated amount) (Ratio of voting rights held: 27.09%) (Estimated amount)

7. Future outlook

The impact of this matter on consolidated financial results for this fiscal year is under study. If any matters to be disclosed develop, the Company will promptly make proper announcements.