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Summary of Consolidated Financial Results for the Nine Months Ended May 31,2023 (Based on Japanese GAAP)

July 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: July 14,2023

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 nine months ended May 31,2023 (from September 1,2022 to May 31,2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31,2023	1,227	-32.6	-153	_	-126	_	-143	_
May 31,2022	1,822	24.1	266	-6.3	323	12.8	198	-10.1

Note: Comprehensive income Nine months ended May 31,2023: $\mbox{$\Psi$}$ -142 Million [-%] Nine months ended May 31,2022: $\mbox{$\Psi$}$ 203 Million [-11.0%]

Earnings per share

Diluted earnings per share

Nine months ended

Yen

Yen

May 31,2023

-20.33

May 31,2022

29.05

Diluted earnings per share

Yen

Yen

27.93

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	
As of	Millions of yen	Millions of yen	%	
May 31,2023	2,781	1,958	70.4	
August 31,2022	2,519	2,072	82.2	

Reference: Equityi As of May 31,2023: ¥ 1,958 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 sal	les	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 May 31,2023	7,105,400 shares
As of August 31,2022	7,055,400 shares

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

As of May 31,2023	- shares
As of August 31,2022	- shares

(iii) Average number of shares outstanding during the period

Three months ended May 31,2023	7,077,400 shares
Three months ended May 31,2022	6,839,380 shares

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

(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.

^{*} Proper use of earnings forecasts, and other special matters

Quarterly consolidated financial statements and principal notes Quarterly consolidated balance sheet

(Thousands of yen) As of August 31,2022 As of May 31,2023 Assets Current assets Cash and deposits 936,086 297,531 Accounts receivable-trade, and contract assets 328,675 278,272 624,281 Merchandise and finished goods 276,415 Raw materials and supplies 47,914 44,080 256,727 Other 70,723 Allowance for doubtful accounts -2,905 -2,271 1,502,456 Total current assets 1,653,075 Non-current assets Property, plant and equipment 484,953 Buildings Accumulated depreciation -4,041 480,912 Buildings, net Facilities attached to buildings 1.993 148,379 Accumulated depreciation -642 -5,265 Facilities attached to buildings, net 1,351 143,113 Structures 18,101 Accumulated depreciation -341 17,759 Structures, net 641 Vehicles 641 -641 -641 Accumulated depreciation Vehicles, net 0 0 134,086 Tools, furniture and fixtures 173,977 Accumulated depreciation -122,926 -141,098 Tools, furniture and fixtures, net 32,879 11,160 Land 292,589 292,589 Construction in progress 380,076 685,177 967,254 Total property, plant and equipment Intangible assets 17,593 37,102 Investments and other assets 205,250 Investment securities 104,000 60,060 69,597 Other -355 -355 Allowance for doubtful accounts Total investments and other assets 163,705 274,492 1,278,849 Total non-current assets 866,477 Total assets 2,519,553 2,781,305

		(Thousands of yell)
	As of August 31,2022	As of May 31,2023
Liabilities		
Current liabilities		
Accounts payable - trade	163,265	132,968
Short-term borrowings	_	500,000
Income taxes payable	116,868	31,578
Provision for bonuses	43,710	61,716
Provision for product warranties	17,245	7,284
Provision for loss on orders received	4,781	4,119
Other	99,818	83,558
Total current liabilities	445,689	821,226
Non-current liabilities		
Asset retirement obligations	1,643	1,643
Total non-current liabilities	1,643	1,643
Total liabilities	447,333	822,869
Net assets		
Shareholders' equity		
Share capital	789,412	803,787
Capital surplus	779,412	793,787
Retained earnings	501,633	357,775
Total shareholders' equity	2,070,458	1,955,350
Accumulated other comprehensive income		
Foreign currency translation adjustment	1,761	3,085
Total accumulated other comprehensive income	1,761	3,085
Total net assets	2,072,219	1,958,435
Total liabilities and net assets	2,519,553	2,781,305

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

	Ni	(Thousands of yen) Nine months ended
	Nine months ended May 31,2022	May 31,2023
Net sales	1,822,054	1,227,646
Cost of sales	1,043,635	824,176
Gross profit	778,419	403,469
Selling, general and administrative expenses	511,511	556,544
Operating profit (loss)	266,907	-153,074
Non-operating income	200,707	-133,074
Interest and dividend income	99	181
Foreign exchange gains	55,772	25,826
Miscellaneous income	602	1,075
Total non-operating income	56,474	27,083
Non-operating expenses	30,474	27,063
	23	514
Interest expenses Provision of allowance for doubtful accounts	23	
Miscellaneous expenses	108	109
Total non-operating expenses	132	623
	323,250	
Ordinary profit (loss)	323,230	-126,615
Extraordinary income	144	2.061
Subsidy income	144	2,061
Other	67	2.061
Total extraordinary income	211	2,061
Extraordinary losses		
Loss on retirement of non-current assets	0	66
Total extraordinary losses	0	66
Profit (loss) before income taxes	323,461	-124,620
Income taxes - current	106,980	6,895
Income taxes - deferred	17,785	12,342
Total income taxes	124,765	19,238
Profit (loss)	198,695	-143,858
Profit (loss) attributable to owners of parent	198,695	-143,858

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

		(Thousands of yen)
	Nine months ended May 31,2022	Nine months ended May 31,2023
Profit(loss)	198,695	-143,858
Other comprehensive income		
Foreign currency translation adjustment	4,637	1,324
Total other comprehensive income	4,637	1,324
Comprehensive income(loss)	203,333	-142,534
Comprehensive income(loss) attributable to		
Comprehensive income attributable to owners of parent	203,333	-142,534
Comprehensive income attributable to non-controlling interest	ts —	_