

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.



November 10, 2025

Consolidated Financial Results for the Nine Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: Neural Group Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 4056
 URL: <https://www.neural-group.com/en/index.html>
 Representative: Roi Shigematsu, CEO
 Inquiries: Takashi Kisaka, CFO
 Telephone: +81-3-5157-2345
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

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

1. Consolidated financial results for the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(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	%
September 30, 2025	2,535	(1.3)	24	-	(9)	-	(52)	-
September 30, 2024	2,568	17.1	(81)	-	(100)	-	(153)	-

Note: Comprehensive income For the nine months ended September 30, 2025: ¥ (53) million [- %]
 For the nine months ended September 30, 2024: ¥ (154) million [- %]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2025	(3.41)	-
September 30, 2024	(10.02)	-

Note: Diluted earnings per share are not shown in the above, because earnings per share were negative although there are residual shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	4,180	1,939	45.9
December 31, 2024	2,976	614	20.0

Reference: Equity
 As of September 30, 2025: ¥1,918 million
 As of December 31, 2024: ¥594 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2025	-	0.00	-		
Fiscal year ending December 31, 2025 (Forecast)				0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
Full year	¥ 3,700 million	3.8%	¥ 160 million	350.0%	¥ 140 million	- %	¥ 40 million	- %	¥ 2.61

Note: Revisions to the forecast of financial results most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies (-)

Excluded: - companies (-)

(2) Adoption of accounting treatment specific to the preparation of interim consolidated financial statements: None

(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

(4) Number of issued shares (common shares)

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

As of September 30, 2025	17,191,031 shares
As of December 31, 2024	15,340,031 shares

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

As of September 30, 2025	184 shares
As of December 31, 2024	184 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2025	15,508,502 shares
Nine months ended September 30, 2024	15,328,659 shares

* Review of the Japanese-language originals of the attached consolidated interim financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

(Disclaimer) The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. In addition, actual results may differ significantly due to various factors.

2. Consolidated Financial Statements and Primary Notes

(1) Interim Consolidated Financial Statements of Financial Position

(Thousands of yen)

	As of December 31, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	670,062	2,139,236
Accounts receivable – trade and contract assets	528,128	435,860
Inventories	207,995	171,286
Allowance for doubtful accounts	(710)	(710)
Other	104,430	78,136
Total current assets	1,509,907	2,823,809
Non-current assets		
Property, plant and equipment	55,229	51,514
Intangible assets		
Goodwill	943,572	865,662
Other	172,069	153,081
Total intangible assets	1,115,641	1,018,743
Investment and other assets		
Investment securities	157,215	157,215
Security deposits and guarantee deposits	130,678	126,444
Other	8,105	2,493
Total investments and other assets	295,998	286,153
Total non-current assets	1,466,870	1,356,412
Total assets	2,976,777	4,180,221
Liabilities		
Current liabilities		
Account payable	57,772	44,771
Current portion of bonds payable	20,000	10,000
Short-term borrowings	700,000	600,000
Current portion of long-term borrowings	400,615	431,744
Provision for bonuses	3,890	13,246
Other	344,449	227,870
Total current liabilities	1,526,727	1,327,632
Non-current liabilities		
Bonds payable	10,000	-
Long-term borrowings	745,413	821,060
Deferred tax liabilities	13,470	23,942
Retirement benefit liability	66,927	67,806
Total non-current liabilities	835,810	912,809
Total liabilities	2,362,537	2,240,441

(Thousands of yen)

	As of December 31, 2024	As of September 30, 2025
Net assets		
Shareholders' equity		
Share capital	12,254	700,977
Capital surplus	2,375,155	3,063,878
Retained earnings	(1,792,087)	(1,844,907)
Treasury stock	(567)	(567)
Total shareholders' equity	594,754	1,919,381
Accumulated other comprehensive income		
Foreign currency translation adjustments	83	(808)
Total accumulated other comprehensive income	83	(808)
Stock acquisition rights	19,401	21,207
Total net assets	614,239	1,939,780
Total liabilities and net assets	2,976,777	4,180,221

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

(Thousands of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Net sales	2,568,927	2,535,133
Cost of sales	884,635	895,637
Gross profit	1,684,291	1,639,495
Selling, general and administrative expenses	1,766,290	1,614,654
Operating profit (loss)	(81,998)	24,840
Non-operating income		
Interest and dividend income	113	812
Dividends received	1	1
Foreign exchange gains	2,138	1,232
Insurance proceeds	776	-
Income from penalties	3,510	2,130
Miscellaneous income	1,827	392
Other	938	-
Total non-operating income	9,306	4,570
Non-operating expense		
Interest expenses	13,407	20,252
Share issuance costs	5,260	14,821
Other	8,823	3,874
Total non-operating expenses	27,491	38,949
Ordinary profit (loss)	(100,183)	(9,538)
Extraordinary profit		
Extraordinary loss		
Loss on Disposal of Fixed Assets	-	515
Total Extraordinary Losses	-	515
Income (loss) before Taxes	(100,183)	(10,053)
Current income taxes, inhabitant taxes and enterprise taxes	3,212	26,788
Deferred income taxes	52,053	15,977
Total income taxes	55,265	42,765
Profit (loss)	(155,449)	(52,819)
Income (loss) attributable to non-controlling interests	(1,895)	-
Income (loss) attributable to owners of parent	(153,553)	(52,819)

(Interim Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Profit (loss)	(155,449)	(52,819)
Other comprehensive income		
Foreign currency translation adjustments	1,206	(801)
Total other comprehensive income	1,206	(801)
Comprehensive income	(154,242)	(53,621)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(153,302)	(53,711)
Comprehensive income attributable to non-controlling interests	(939)	90