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October 15, 2025

Consolidated Financial Results for the Fiscal Year Ended August 31, 2025 (Under Japanese GAAP)

Company name: Goodpatch Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 7351
 URL: <https://goodpatch.com/>
 Representative: Naofumi Tsuchiya, Chief Executive Officer
 Inquiries: Toshiyuki Makishima, Board Director, CFO
 Telephone: +81-03-6416-9238
 Scheduled date to file quarterly securities report: November 26, 2025
 Scheduled date to commence dividend payments: November 27, 2025
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

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

1. Consolidated financial results for the fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2025	5,085	29.0	557	-	613	-	407	-
August 31, 2024	3,942	0.4	34	(88.4)	46	(84.4)	11	(94.7)

Note: Comprehensive income For the fiscal year ended August 31, 2025: 418 million [- %]
 For the fiscal year ended August 31, 2024: 11 million [(94.7) %]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
August 31, 2025	46.35	46.10	10.2	12.4	11.0
August 31, 2024	1.27	1.26	0.3	1.0	0.9

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended August 31, 2025: 21 million
 For the fiscal year ended August 31, 2024: 15 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
August 31, 2025	5,245	4,145	78.6	471.94
August 31, 2024	4,676	3,872	82.3	425.75

Reference: Equity
 As of August 31, 2025: 4,121 million
 As of August 31, 2024: 3,850 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
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Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
August 31, 2025	844	(1,075)	(310)	2,733
August 31, 2024	(57)	(58)	116	3,275

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended August 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended August 31, 2025	—	0.00	—	10.00	10.00	—	21.6	2.2
Fiscal year ending August 31, 2026 (Forecast)	—	0.00	—	10.00	10.00		21.4	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2026 (from September 1, 2025 to August 31, 2026)

(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	5,600	10.1	560	0.5	632	3.1	409	0.5	46.83

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly included: People and Design Inc.

Excluded: —

- (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: Yes

(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, 2025	9,246,620 shares
As of August 31, 2024	9,218,180 shares

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

As of August 31, 2025	512,827 shares
As of August 31, 2024	174,205 shares

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

Fiscal year ended August 31, 2025	8,782,327 shares
Fiscal year ended August 31, 2024	9,083,093 shares

(Summary of non-consolidated financial results)

1. Non-consolidated Financial Results for the fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(1)Non-consolidated Results of Operations

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2025	4,312	25.8	459	525.5	498	550.5	351	647.2
August 31, 2024	3,428	3.4	73	(78.4)	76	(78.2)	47	(82.9)

Fiscal year ended	Net income per share		Diluted net income per share	
	Yen		Yen	
August 31, 2025	40.01		39.80	
August 31, 2024	5.18		5.14	

(2)Non-consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		yen	
As of August 31, 2025	5,121		4,217		81.9		480.24	
As of August 31, 2024	4,713		3,995		84.3		439.31	

Reference: Equity

As of August 31, 2025: \ 4,194 million

As of August 31, 2024: \ 3,973 million

* 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

The forward-looking statements, including the financial results forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to achieve the stated performance. Actual business and other results may differ substantially due to various factors.

Consolidated Financial Statements
Consolidated Balance Sheets

(Thousands of yen)

	As of August 31, 2024	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	3,275,145	2,733,133
Accounts receivable - trade and contract assets	427,708	584,262
Work in process	2,884	9,565
Prepaid expenses	79,830	55,483
Income taxes refund receivable	48,772	6
Other	4,953	13,247
Total current assets	3,839,295	3,395,698
Non-current assets		
Property, plant and equipment		
Buildings	75,179	75,179
Accumulated depreciation	(37,019)	(42,101)
Buildings, net	38,160	33,078
Tools, furniture and fixtures	81,552	59,906
Accumulated depreciation	(71,834)	(52,652)
Tools, furniture and fixtures, net	9,717	7,254
Leased assets	-	9,680
Accumulated depreciation	-	(1,152)
Leased assets, net	-	8,527
Total Property, plant and equipment	47,877	48,860
Intangible assets		
Trademark right	1,493	1,247
Goodwill	412,538	349,070
Customer-related intangible assets	53,444	45,222
Total Intangible assets	467,475	395,540
Investments and other assets		
Investment securities	202,017	1,310,160
Leasehold and guarantee deposits	22,827	23,325
Deferred tax assets	74,017	51,563
Other	22,492	20,279
Total Investments and other assets	321,355	1,405,328
Total non-current assets	836,708	1,849,729
Total assets	4,676,003	5,245,428

(Thousands of yen)

	As of August 31, 2024	As of August 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	63,192	99,609
Current portion of long-term borrowings	162,412	130,423
Accounts payable - other	85,434	142,063
Accrued expenses	40,766	39,493
Income taxes payable	15,388	219,888
Accrued consumption taxes	34,684	112,933
Contract liabilities	76,054	61,599
Lease liabilities	-	1,367
Deposits received	49,524	48,730
Provision for bonuses	1,885	100,347
Other	3,989	-
Total current liabilities	533,332	956,456
Non-current liabilities		
Long-term borrowings	238,849	108,426
Lease liabilities	-	8,188
Asset retirement obligations	11,592	11,608
Deferred tax liabilities	19,848	15,570
Total non-current liabilities	270,290	143,793
Total non-current liabilities	803,622	1,100,250
Net assets		
Shareholders' equity		
Share capital	1,772,244	1,774,543
Legal capital surplus	1,767,244	1,761,139
Retained earnings	414,192	821,244
Treasury shares	(100,100)	(250,168)
Total shareholders' equity	3,853,580	4,106,759
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(60)	15,192
Foreign currency translation adjustment	(3,069)	(128)
Total accumulated other comprehensive income	(3,130)	15,064
Share acquisition rights	21,930	23,353
Total net assets	3,872,380	4,145,177
Total liabilities and net assets	4,676,003	5,245,428

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Thousands of yen)

	Fiscal year Ended August 31, 2024	Fiscal year Ended August 31, 2025
Net sales	3,924,967	5,085,553
Cost of sales	1,759,846	2,143,028
Gross profit	2,183,121	2,942,524
Selling, general and administrative expenses	2,148,595	2,385,040
Operating profit	34,526	557,483
Non-operating income		
Interest income	546	4,267
Dividend income	-	33,762
Share of profit of entities accounted for using equity method	15,160	21,741
Foreign exchange gains	133	369
Other	2,877	3,416
Total non-operating income	18,718	63,558
Non-operating expenses		
Interest expenses	1,540	2,392
Share issuance costs	168	38
Penalty income	552	552
Share acquisition rights issuance costs	-	1,664
Loss on investments in investment partnerships	2,816	1,514
Commission expenses	917	1,317
Other	549	542
Total non-operating expenses	6,544	8,021
Ordinary profit	46,699	613,021
Extraordinary income		
Gain on liquidation of subsidiaries and associates	-	971
Gain on reversal of share acquisition rights	729	7,164
Total extraordinary income	729	8,135
Profit before income taxes	47,429	621,156
Income taxes - current	17,024	210,601
Income taxes - deferred	18,872	10,058
Total income taxes	35,896	220,660
Profit	11,532	400,496
Loss attributable to non-controlling interests	-	(6,555)
Profit attributable to owners of parent	11,532	407,051

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Fiscal year Ended August 31, 2024	Fiscal year Ended August 31, 2025
Profit	11,532	400,496
Other comprehensive income		
Valuation difference on available-for-sale securities	(60)	15,253
Foreign currency translation adjustment	29	2,941
Total other comprehensive income	(30)	18,194
Comprehensive income	11,502	418,691
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,502	425,246
Comprehensive income attributable to non-controlling interests	-	(6,555)

Consolidated statement of changes in equity

Fiscal year Ended August 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,767,520	1,762,520	402,659	(110)	3,932,589
Changes during period					
Issuance of new shares - exercise of share acquisition rights	4,724	4,724			9,448
Profit (loss) attributable to owners of parent			11,532		11,532
Purchase of treasury shares				(99,989)	(99,989)
Issuance of new shares					-
Forfeiture of share acquisition rights					-
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity)					
Total changes during period	4,724	4,724	11,532	(99,989)	(79,008)
Balance at end of period	1,772,244	1,767,244	414,192	(100,100)	3,853,580

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	-	(3,099)	(3,099)	14,135	3,943,626
Changes during period					
Issuance of new shares - exercise of share acquisition rights					9,448
Profit (loss) attributable to owners of parent					11,532
Purchase of treasury shares					(99,989)
Issuance of new shares				8,524	8,524
Forfeiture of share acquisition rights				(729)	(729)
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity)	(60)	29	(30)	-	(30)
Total changes during period	(60)	29	(30)	7,794	(71,245)
Balance at end of period	(60)	(3,069)	(3,130)	21,930	3,872,380

Consolidated statement of changes in equity

Fiscal year Ended August 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,772,244	1,767,244	414,192	(100,100)	3,853,580
Changes during period					
Issuance of new shares - exercise of share acquisition rights	2,299	2,299			4,598
Profit (loss) attributable to owners of parent			407,051		407,051
Purchase of treasury shares				(150,068)	(150,068)
Issuance of new shares					-
Forfeiture of share acquisition rights					-
Change in ownership interest of parent due to transactions with non-controlling interests		(8,403)			(8,403)
Net changes in items other than shareholders' equity)					
Total changes during period	2,299	(6,104)	407,051	(150,068)	253,178
Balance at end of period	1,774,543	1,761,139	821,244	(250,168)	4,106,759

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	(60)	(3,069)	(3,130)	21,930	3,872,380
Changes during period					
Issuance of new shares - exercise of share acquisition rights					4,598
Profit (loss) attributable to owners of parent					407,051
Purchase of treasury shares					(150,068)
Issuance of new shares				8,587	8,587
Forfeiture of share acquisition rights				(7,164)	(7,164)
Change in ownership interest of parent due to transactions with non-controlling interests					(8,403)
Net changes in items other than shareholders' equity)	15,253	2,941	18,194	-	18,194
Total changes during period	15,253	2,941	18,194	1,423	272,796
Balance at end of period	15,192	(128)	15,064	23,353	4,145,177

Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year Ended August 31, 2024	Fiscal year Ended August 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	47,429	621,156
Depreciation	20,365	19,386
Amortization of goodwill	63,467	65,391
Share of loss (profit) of entities accounted for using equity method	(15,160)	(21,741)
Gain on liquidation of subsidiaries and associates	-	(971)
Increase (decrease) in provision for bonuses	1,885	98,461
Interest income	(546)	(4,267)
Interest expenses	1,540	2,392
Share issuance costs	168	38
Share acquisition rights issuance costs	552	-
Decrease (increase) in accounts receivable - trade, and contract assets	27,972	(156,553)
Decrease (increase) in inventories	8,546	(6,681)
Decrease (increase) in prepaid expenses	(30,456)	24,299
Increase (decrease) in trade payables	(8,222)	36,416
Increase (decrease) in accounts payable - other	(47,493)	56,857
Increase (decrease) in deposits received		(450)
Increase (decrease) in accrued expenses	(22,070)	(448)
Increase (decrease) in contract liabilities	15,065	(14,454)
Increase (decrease) in accrued consumption taxes	(18,572)	78,273
Other, net	4,710	12,545
Subtotal	71,560	809,648
Interest and dividends received	266	4,058
Interest paid	(1,659)	(2,346)
Income taxes paid	(139,941)	(17,008)
Income taxes refund	12,652	50,037
Net cash provided by (used in) operating activities	(57,122)	844,388
Cash flows from investing activities		
Purchase of property, plant and equipment	(13,067)	(2,324)
Purchase of investment securities	(50,000)	(1,077,134)
Proceeds from distributions from investment partnerships	5,007	4,608
Payments of leasehold and guarantee deposits	(427)	(1,397)
Other, net	-	333
Cash flows from investing activities	(58,487)	(1,075,915)

(単位:千円)

	Fiscal year Ended August 31, 2024	Fiscal year Ended August 31, 2025
Cash flows from financing activities		
Proceeds from long-term borrowings	350,000	-
Repayments of long-term borrowings	(141,470)	(162,412)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	9,279	4,560
Purchase of treasury shares	(100,907)	(151,385)
Proceeds from share issuance to non-controlling shareholders	-	24,500
Repayments of lease liabilities	-	(1,091)
Payments for acquisition of shares of subsidiaries not resulting in change in scope of consolidation		(24,500)
Cash flows from financing activities	116,901	(310,328)
Effect of exchange rate change on cash and cash equivalents	66	(156)
Net increase (decrease) in cash and cash equivalents	1,358	(542,011)
Cash and cash equivalents at beginning of period	3,273,786	3,275,145
Cash and cash equivalents at end of period	3,275,145	2,733,133