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Financial Results for the Three Months Ended September 30, 2026 [Japanese GAAP] (Non-consolidated)



October 30, 2026

Company name: WELLNET CORPORATION

Stock exchange listing: Tokyo Stock Exchange, Sapporo Securities Exchange

Code number: 2428

URL: <https://www.wellnet.co.jp>

Representative: Kazuhiro Miyazawa, President and Representative Director

Contact: Sachio Higashihara, Managing Director, Executive Officer, General Manager of Administrative Division

Phone: +81-11-350-7770

Scheduled date of commencing dividend payments: –

Availability of supplementary briefing material on financial results: Available

Schedule for financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Financial Results for the Three Months Ended September 30, 2026 (July 1, 2026, to September 30, 2026)

(1) Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended September 30, 2026	2,370	(8.4)	266	(25.1)	295	(19.9)	224	(12.0)
September 30, 2025	2,586	(8.1)	354	(16.2)	369	(13.6)	255	(13.2)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended September 30, 2026	11.85	11.78
September 30, 2025	13.58	13.46

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2026	33,511	9,139	27.1	479.06
As of June 30, 2026	25,984	9,261	35.4	484.47

(Reference) Equity: As of September 30, 2026: ¥9,091 million

As of June 30, 2026: ¥9,191 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended June 30, 2026	Yen –	Yen 12.00	Yen –	Yen 17.50	Yen 29.50
Fiscal year ending June 30, 2027	–				
Fiscal year ending June 30, 2027 (Forecast)		12.50	–	18.00	30.50

(Note) Revision of dividends forecast from recently announced figures: No

3. Financial Results Forecast for the Fiscal Year Ending June 30, 2027 (July 1, 2026, to June 30, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	4,900	(4.0)	600	(16.1)	650	(11.2)	450	(11.1)	23.72
Full year	10,500	4.4	1,500	6.3	1,700	12.9	1,150	6.3	60.62

(Note) Revision of financial results forecast from recently announced figures: No

* Notes:

- (1) Adoption of special accounting procedures for preparing quarterly financial statements: No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
As of September 30, 2026: 19,400,000 shares
As of June 30, 2026: 19,400,000 shares
 - 2) Total number of treasury shares at the end of the period:
As of September 30, 2026: 422,460 shares
As of June 30, 2026: 428,460 shares
 - 3) Average number of shares during the period:
Three months ended September 30, 2026: 18,973,790 shares
Three months ended September 30, 2025: 18,795,119 shares

* These financial results are outside the scope of review procedures by a certified public accountant or an audit corporation.

* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements, including earnings forecasts, contained in this document are based on information available to the Company at the time of the announcement of this document and on certain assumptions judged to be reasonable. Actual business performance and other results may differ from the forecasts due to various factors.

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Overview of Financial Results for the Three Months Ended September 30, 2026

1. Qualitative Information on Financial Results for the Period under Review

(1) Overview of Business Results

1) Analysis of Business Results

The Japanese economy in the three months of the fiscal year under review (July 1, 2026, to September 30, 2026) continued to encounter uncertainties due to the impact of factors including unstable international affairs. Meanwhile, in corporate activities, it is foreseen that there will be a heightened demand for solutions to bolster sales and profitability, in addition to digital transformation (DX) initiatives aimed at improving operating efficiency and reducing labor amid labor shortages.

Under such business conditions, the Company has also been working on initiatives for DX promotion including “paperless” and “cashless,” promoting activities such as “Electronic invoicing and electronic payment” and “DX Promotion Solution Project and MaaS for the transportation industry” as priority measures, and conducting measures considering a lifestyle-based fin-tech platform in this context, and has focused on expanding the “Payment Plus Alpha Platform,” including ekaiin.com and SHIMA-YELL, a service for issuing and storing electronic invoices.

In the electronic money business, the Company has begun offering “OEM Electronic Money” and “Local Money” by leveraging the electronic money infrastructure and identity authentication technologies cultivated through “Shiharai-Hisho.” As a result, companies and organizations will be able to develop their own branded electronic money, and local governments and regional organizations will be able to develop local money that supports grants, payments, and the circulation of the local economy. By combining our proven payment infrastructure with identity and device authentication, we will strive to expand the scope of electronic money use through our three products: “Shiharai-Hisho,” “OEM Electronic Money” and “Local Money.”

In the transportation industry sector, we made efforts in promoting the use and recognition of the “Gurutto Hokkaido” digital ticket website, which aims to facilitate seamless movement throughout all areas of Hokkaido. Furthermore, we have expanded MaaS initiatives that link transportation and tourism, including the implementation of a limited-time unlimited ride pass trial project in the Engaru-Abashiri area of the Sekihoku Main Line, which allows the use of both JR trains and local buses.

Our QR-based wide-area railway online ticket gate system has received the “10th Monodzukuri Nippon Grand Award, Monodzukuri Regional Contribution Award (Hokkaido Bureau of Economy, Trade and Industry Director-General’s Award).”

In the payment and money transfer sector, we have worked to expand the scope of use of our Multi Payment Services and Money Transfer Services including starting to provide money transfer services to Japan Airlines Co., Ltd. to improve the convenience of airline ticket refund procedures.

While these initiatives have been carried out, business results for the three months of the fiscal year under review saw decreased revenue and profit, mainly due to the decline in transaction volume with major clients and an increase in selling and administrative expenses from personnel costs and temporary projects. Non-operating income increased due to factors such as an increase in interest income and interest on securities, and gain on reversal of share acquisition rights was recorded as extraordinary income. Details of the business results are as follows.

(Millions of yen)

	Three months ended September 30, 2025	Three months ended September 30, 2026	YoY Difference	YoY Change
Net sales	2,586	2,370	(216)	91.6%
Cost of sales	1,976	1,782	(194)	90.2%
Gross profit	610	588	(21)	96.5%
Selling, general and administrative expenses	255	322	67	126.4%
Operating profit	354	266	(88)	74.9%
Ordinary profit	369	295	(73)	80.1%
Profit	255	224	(30)	88.0%

2) Changes in Environment Surrounding the Company and Response Strategy

We have formulated “Think Wild. - Driving Japan’s DX through innovative services from Hokkaido –” as our five-year mid-term management plan (from July 2025 to June 2030) and are focused on maximizing the profitability of our current services and fostering new businesses related to electronic money and authentication.

A. Electronic money deployment strategy

We will promote a three-type deployment strategy for our e-money system with identity authentication, which has evolved to be safe and secure through collaboration with Japan Communications Inc. These three types are a universally usable electronic money “Shiharai-Hisho,” an “OEM supply type,” and “next-generation local money” that can be integrated into applications developed by companies for their own customers.

B. Actively promoting IT projects for transportation operators

The smartphone electronic ticketing applications Bus Mori! and ALTAIR triple star have expanded the types of electronic ticket to include single-trip tickets, coupon tickets, commuter passes, unlimited ride passes, discount passes, reserved-seat tickets, and shareholder discount coupons. As the transition to cloud-based services utilizing ABT (Account Based Ticketing) authentication progresses, we anticipate that the DX of transportation will expand even in regions where investment has traditionally been challenging. We will further strengthen functional enhancements and our proposal-based sales efforts to expand the utilization of “ALTAIR triple star,” our all-in-one total cloud service for transportation operators.

C. Expansion of Multi Payment Services and Money Transfer Services

Multi Payment Services and Money Transfer Services for non-face-to-face payment are expected to have the potential for continued growth, and the Company aims to continue to expand and promote sales of payment functions that contribute to increase in convenience for both operators and consumers.

Also, the number of customers using the Stamp service, the smartphone barcode payment service adopted by Family Mart in September 2022, is steadily increasing. We are actively proposing the adoption of the product at other convenience stores.

D. Activities contributing to local communities

We recognize that the “IT utilization and DX” we promote itself contributes to global environmental conservation.

As part of our social contribution, we are providing support to many students through our WELLNET Scholarship, established to help financially struggling students at colleges of technology in Hokkaido. A cumulative total of approximately ¥120 million in scholarships was paid to a total of 1,129 students from

the start through FY 2025, directly contributing to zero students dropping out due to economic reasons. We will continue these activities moving forward.

Furthermore, in order to contribute to the promotion of local Hokkaido winter sports, the Company has participated in the “Scrum” concept promoted by Hokkaido All Olympians and is supporting the activities of four athletes who are employees of the Company. Among them, two athletes, Kazuya Yamada and Motonaga Arito, competed in the Olympic Winter Games Milano Cortina 2026 held in Italy in February 2026 and placed eighth in the men’s team pursuit speed skating event. We will continue to actively utilize our service platform, ekaiin.com, and other resources to promote sports through the Company’s IT services.

E. Human resource investment and improvement of employee job satisfaction

The Company adopts the “empowerment of employees to explore and realize their full potential” as one of its management philosophies and has set the “investment in talent to attract, develop, and retain high-performing employees and promote internal development” in the “Think Wild.” mid-term management plan. As part of that policy, in August 2025, we introduced a “Scholarship Repayment Support System” that supports employees in taking on challenges, thereby reducing employees’ economic burdens and creating an environment where they can focus on career development with peace of mind. Additionally, we were recognized for our efforts to provide a workplace where employees can work with peace of mind over the long term through the creation of a comfortable working environment that accommodates different life stages, and in January 2026, we obtained the “Step 3 Leading Initiative Company” certification (for companies undertaking initiatives that exceed laws and regulations), the highest classification in Sapporo City’s Work-Life Balance+ Certification Program.

Additionally, our head office earlier received the platinum rank of WELL Certification, the highest ranking of the WELL Certification that began in the U.S. to evaluate and certify spaces including buildings and offices from the standpoint of human health. More recently, our head office won the “36th Nikkei New Office Awards,” which awards creativity in office design. By providing our employees as human capital, with the best possible work environment, we are working to increase corporate value through measures such as increased productivity and workstyle reforms.

(2) Overview of Financial Position

(Assets)

Current assets as of September 30, 2026, stood at ¥26,376 million. This mainly comprises cash and deposits of ¥19,637 million, deposits paid of ¥4,636 million and accounts receivable - trade, and contract assets of ¥751 million. Cash and deposits include receiving agency deposits in money collection business, which will be transferred to operators up to the predetermined date of transfer.

Meanwhile, non-current assets amounted to ¥7,135 million. This mainly comprises property, plant and equipment of ¥3,598 million, intangible assets of ¥556 million, and investments and other assets of ¥2,979 million.

As a result, total assets amounted to ¥33,511 million.

(Liabilities)

Current liabilities as of September 30, 2026, stood at ¥22,718 million. This mainly comprises deposits received of ¥5,615 million and receiving agency deposits of ¥15,909 million.

Meanwhile, non-current liabilities amounted to ¥1,653 million. This mainly comprises long-term borrowings of ¥1,375 million.

As a result, total liabilities amounted to ¥24,372 million.

(Net assets)

Net assets as of September 30, 2026, stood at ¥9,139 million. This mainly comprises shareholders’ equity of ¥9,096 million.

(Reference) Overview of balance sheet

(Millions of yen)

	As of June 30, 2026	As of September 30, 2026	Difference from Previous Fiscal Year-End	Comparison to Previous Fiscal Year-End
Current assets	19,010	26,376	7,366	138.8%
Of which, cash and deposits	13,322	19,637	6,315	147.4%
Non-current assets a	6,974	7,135	160	102.3%
Total assets b	25,984	33,511	7,527	129.0%
Liabilities	16,723	24,372	7,649	145.7%
Of which, deposits received c	5,020	5,615	595	111.9%
Of which, receiving agency deposits d	8,917	15,909	6,991	178.4%
Of which, long-term borrowings e	1,400	1,375	(25)	98.2%
Net assets f	9,261	9,139	(121)	98.7%
Equity g	9,191	9,091	(99)	98.9%
Actual cash and deposits* e+f-a	3,686	3,379	(307)	91.7%
Equity ratio	35.4%	27.1%	(8.2)pt	
Actual equity ratio *g÷(b-c-d)	76.3%	75.8%	(0.5)pt	

The receiving agency deposits are related to money collection business, while the deposits received are largely related to remittance services. These funds are held in custody for remittance to the business operator and its counterparties. The ‘actual cash and deposits’ and ‘actual equity ratio’*, which exclude the impact of these funds from our balance sheet, are as stated above.

(3) Explanation of Financial Results Forecast and Other Forward-looking Information

No changes have been made to the financial results forecast for the fiscal year ending June 30, 2027, provided in the “Financial Results for the Fiscal Year Ended June 30, 2026 [Japanese GAAP] (Non-consolidated)” announced on August 10, 2026.

2. Financial Statements and Significant Notes

(1) Balance Sheet

(Thousands of yen)

	As of June 30, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	13,322,122	19,637,548
Accounts receivable - trade, and contract assets	642,394	751,684
Merchandise	4,494	5,586
Supplies	829	792
Prepaid expenses	105,315	97,648
Deposits paid	3,961,350	4,636,850
Other	973,540	1,246,420
Total current assets	19,010,046	26,376,531
Non-current assets		
Property, plant and equipment	3,628,314	3,598,875
Intangible assets	507,944	556,711
Investments and other assets	2,837,914	2,979,518
Total non-current assets	6,974,172	7,135,105
Total assets	25,984,219	33,511,636
Liabilities		
Current liabilities		
Accounts payable - trade	392,310	392,506
Current portion of long-term borrowings	100,000	100,000
Deposits received	5,020,028	5,615,142
Receiving agency deposits	8,917,888	15,909,606
Income taxes payable	136,094	106,583
Provision for bonuses	19,070	57,585
Provision for point card certificates	0	7,506
Other	469,328	529,359
Total current liabilities	15,054,720	22,718,290
Non-current liabilities		
Long-term borrowings	1,400,000	1,375,000
Provision for share awards	94,443	97,216
Provision for retirement benefits	7,470	12,239
Asset retirement obligations	13,737	13,763
Long-term accounts payable - other	119,007	119,007
Other	33,678	36,563
Total non-current liabilities	1,668,337	1,653,790
Total liabilities	16,723,057	24,372,080
Net assets		
Shareholders' equity		
Share capital	667,782	667,782
Capital surplus	3,509,216	3,509,216
Retained earnings	5,547,892	5,437,956
Treasury shares	(524,805)	(518,683)
Total shareholders' equity	9,200,086	9,096,271
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(9,005)	(4,894)
Total valuation and translation adjustments	(9,005)	(4,894)
Share acquisition rights	70,080	48,179
Total net assets	9,261,162	9,139,556
Total liabilities and net assets	25,984,219	33,511,636

(2) Statement of Income

(Thousands of yen)

	Three months ended September 30, 2025	Three months ended September 30, 2026
Net sales	2,586,787	2,370,728
Cost of sales	1,976,583	1,782,133
Gross profit	610,204	588,594
Selling, general and administrative expenses	255,229	322,548
Operating profit	354,974	266,045
Non-operating income		
Interest income	8,804	23,246
Interest on securities	1,684	5,296
Gain on investments in investment partnerships	3,928	641
Other	2,153	2,729
Total non-operating income	16,571	31,914
Non-operating expenses		
Interest expenses	2,419	2,130
Total non-operating expenses	2,419	2,130
Ordinary profit	369,126	295,829
Extraordinary income		
Gain on reversal of share acquisition rights	–	21,319
Total extraordinary income	–	21,319
Profit before income taxes	369,126	317,148
Income taxes - current	87,618	98,902
Income taxes - deferred	26,215	(6,508)
Total income taxes	113,833	92,393
Profit	255,293	224,754

(3) Notes to Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes to substantial change in the amount of shareholders' equity)

There is no relevant information.

(Notes to balance sheet)

* Receiving agency deposits, deposits received, and deposits paid

As of June 30, 2026

Receiving agency deposits are deposits related to money collection business, and an equivalent amount is included in the deposits. A portion of deposits received includes deposits in remittance services, and an equivalent amount is included in the deposits. Deposits paid are contributed from deposits to the trust account related to remittance services.

As of September 30, 2026

Receiving agency deposits are deposits related to money collection business, and an equivalent amount is included in the deposits. A portion of deposits received includes deposits in remittance services, and an equivalent amount is included in the deposits. Deposits paid are contributed from deposits to the trust account related to remittance services.

(Notes to statement of cash flows)

The Company has not prepared a quarterly statement of cash flows for the first three months of the fiscal year under review. In addition, the amounts of depreciation (including amortization related to intangible assets excluding goodwill) for the first three months of the current and previous fiscal years are as stated below.

(Thousands of yen)

	Three months ended September 30, 2025	Three months ended September 30, 2026
Depreciation	78,398	72,064

(Notes on segment information, etc.)

[Segment information]

I Three months ended September 30, 2025 (from July 1, 2025, to September 30, 2025)

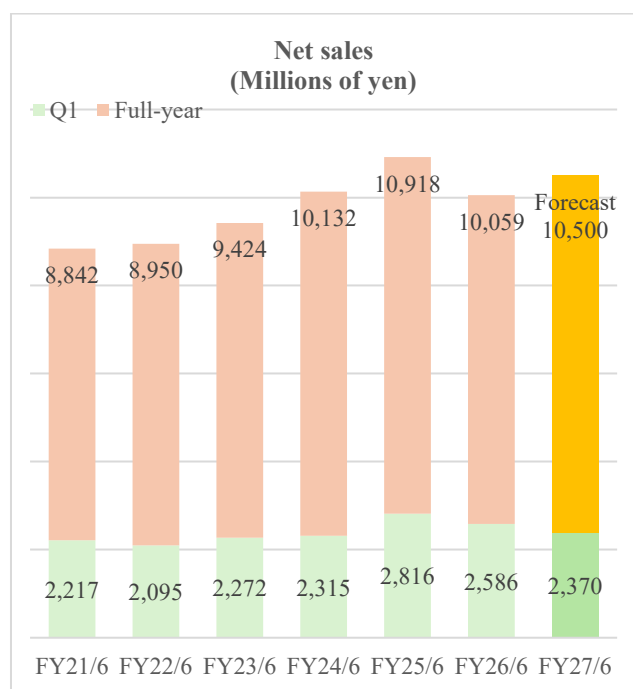
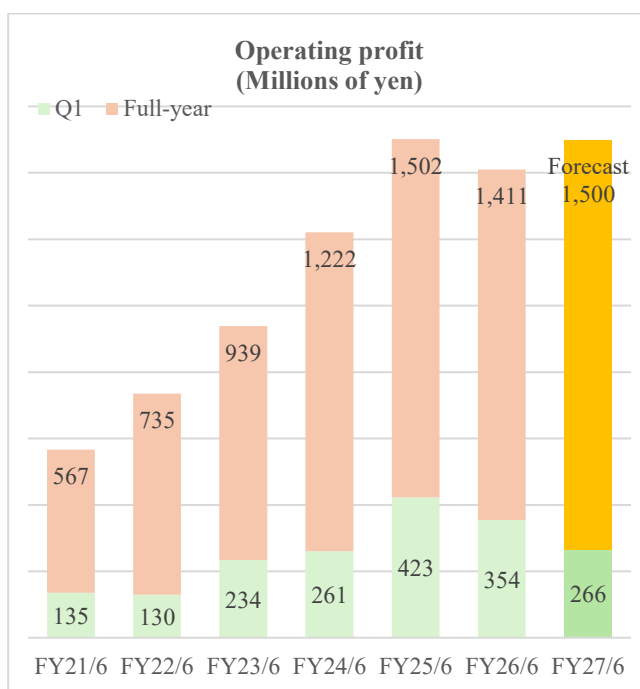
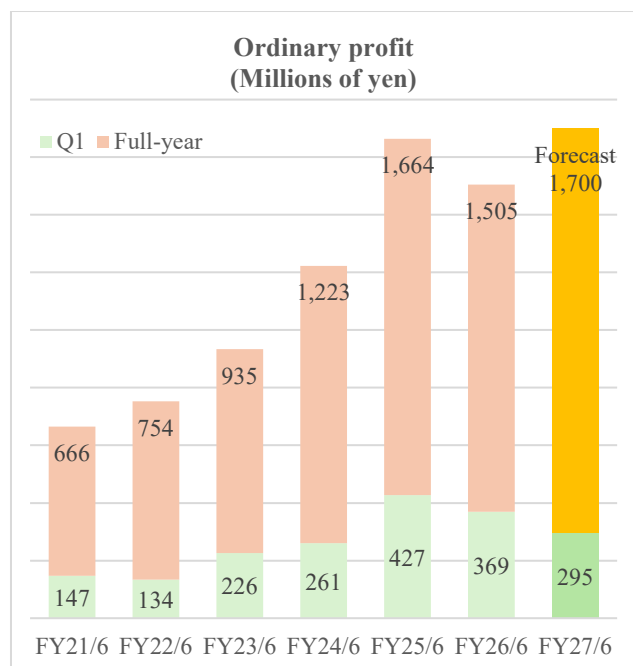
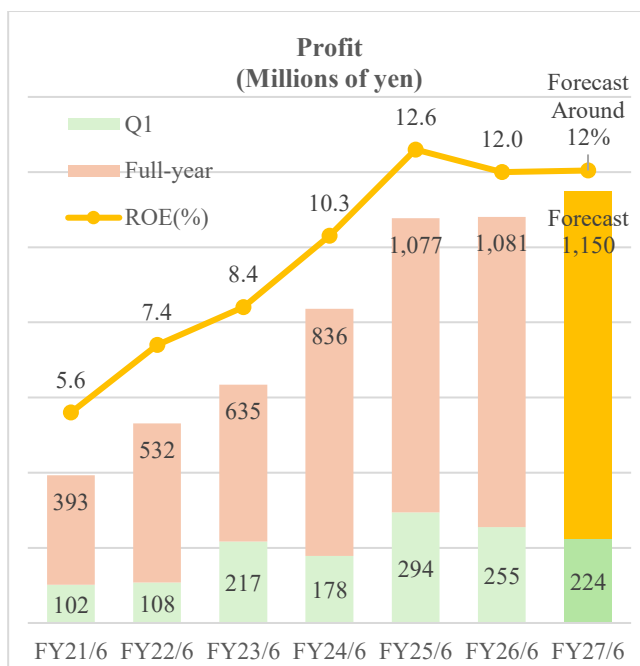
Description is omitted because the Company operates in a single segment with its main business activities focused on payment and authentication services.

II Three months ended September 30, 2026 (from July 1, 2026, to September 30, 2026)

Description is omitted because the Company operates in a single segment with its main business activities focused on payment and authentication services.

Overview of Financial Results for the Three Months Ended September 30, 2026

With respect to business results for the three months ended September 30, 2026, the Company saw a decline in both revenue and profit mainly due to the decline in transaction volume with major clients and an increase in selling and administrative expenses from personnel costs and temporary projects, and reported net sales of ¥2,370 million (a 91.6% year on year change), operating profit of ¥266 million (a 74.9% year on year change), ordinary profit of ¥295 million (an 80.1% year on year change) and profit of ¥224 million (an 88.0% year on year change). However, the first half and full year dividend and financial results forecasts for the fiscal year ending June 30, 2027 are unchanged from the forecasts announced on August 10, 2026.



Overview of operating results

(Millions of yen, unless otherwise noted)

	FY26/6 Q1	FY27/6 Q1	YoY Difference	YoY Change	Financial results forecast for the first half of the fiscal year ending June 30, 2027	Financial results forecast for the full fiscal year ending June 30, 2027
Net sales	2,586	2,370	(216)	91.6%	4,900	10,500
Cost of sales	1,976	1,782	(194)	90.2%		
Gross profit	610	588	(21)	96.5%		
Gross profit margin	23.6%	24.8%	1.2pt			
Selling, general and administrative expenses	255	322	67	126.4%		
Operating profit	354	266	(88)	74.9%	600	1,500
Operating profit margin	13.7%	11.2%	(2.5)pt			
Ordinary profit	369	295	(73)	80.1%	650	1,700
Profit	255	224	(30)	88.0%	450	1,150

* Dividends per share forecast for the fiscal year ending June 30, 2027:

First half: ¥12.50

Full year: ¥30.50 (payout ratio of 50.3%)

Overview of balance sheet

(Billions of yen)

	As of June 30, 2026	As of September 30, 2026	Difference from Previous Fiscal Year-End	Comparison to Previous Fiscal Year-End
Current assets	19.0	26.3	7.3	138.8%
Of which, cash and deposits	13.3	19.6	6.3	147.4%
Non-current assets a	6.9	7.1	0.1	102.3%
Total assets b	25.9	33.5	7.5	129.0%
Liabilities	16.7	24.3	7.6	145.7%
Of which, deposits received c	5.0	5.6	0.5	111.9%
Of which, receiving agency deposits d	8.9	15.9	6.9	178.4%
Of which, long-term borrowings e	1.4	1.3	(0.0)	98.2%
Net assets f	9.2	9.1	(0.1)	98.7%
Equity g	9.1	9.0	(0.0)	98.9%
Actual cash and deposits*1 e+f-a	3.6	3.3	(0.3)	91.7%
Equity ratio	35.4%	27.1%	(8.2)pt	
Actual equity ratio*2 g÷(b-c-d)	76.3%	75.8%	(0.5)pt	

The receiving agency deposits are related to money collection business, while the deposits received are largely related to remittance services. These funds are held in custody for remittance to the business operator and its counterparties. The 'actual cash and deposits'*1 and 'actual equity ratio'*2, which exclude the impact of these funds from our balance sheet, are as stated above.

In order to contribute to expansion of the Company's business, actual cash and deposits are invested in (1) system development, (2) working capital, (3) capital and business alliances, and (4) safe assets.