

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.



January 5, 2026

Consolidated Financial Results for the Fiscal Year Ended November 30, 2025

(Japanese Accounting Standards)

Name of listed company:	NEXTAGE Co., Ltd.	
Stock Exchange Listings:	Tokyo, Nagoya	
Stock code:	3186	
URL:	https://www.nextage.jp/	
Representative:	Seiji Hirota, Representative Director, Chairman and President	
Contact person:	Masashi Nomura, Director and Executive Officer	
	Tel: +81-52-228-6914	
Scheduled date of General Shareholders' Meeting:	February 20, 2026	
Scheduled date to file Securities Report:	February 19, 2026	
Scheduled date to commence dividend payments:	February 24, 2026	
Supplementary explanatory materials prepared:	Yes	
Explanatory meeting:	Yes (For securities analysts and institutional investors)	

(Millions of yen with fractional amounts discarded, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended November 30, 2025 (From December 1, 2024 to November 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended November 30, 2025	652,072	18.0	19,597	51.4	18,485	52.2	12,811	60.0
November 30, 2024	552,778	19.3	12,943	(19.5)	12,144	(23.0)	8,006	(30.7)

Reference: Comprehensive income

For the year ended November 30, 2025: ¥12,825 million, [59.1%]

For the year ended November 30, 2024: ¥8,060 million, [(30.1)%]

	Basic earnings per share	Diluted earnings per share	Return on equity (ROE)	Ordinary profit/ Total assets	Operating margin
Fiscal year ended November 30, 2025	Yen 161.65	Yen -	% 16.9	% 8.2	% 3.0
November 30, 2024	99.90	-	11.5	6.1	2.3

Notes: Diluted earnings per share is not stated because dilutive shares do not exist.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of November 30, 2025	Millions of yen 226,777	Millions of yen 79,195	% 34.9	Yen 1,012.23
November 30, 2024	222,266	72,727	32.7	904.64

Reference: NEXTAGE shareholders' equity

As of November 30, 2025: ¥79,195 million

As of November 30, 2024: ¥72,727 million

(3) Consolidated Cash Flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of the fiscal year
Fiscal year ended November 30, 2025	Millions of yen 9,187	Millions of yen (7,331)	Millions of yen (19,881)	Millions of yen 17,543
November 30, 2024	3,024	(18,454)	21,367	35,567

2. Cash Dividends

	Annual dividends per share					Total amount of dividends (annual)	Payout ratio (consolidated)	Dividends on net assets (consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual			
Fiscal year ended November 30, 2024	Yen —	Yen 0.00	Yen —	Yen 33.00	Yen 33.00	Millions of yen 2,660	% 33.0	% 3.8
Fiscal year ended November 30, 2025	—	0.00	—	45.00	45.00	3,630	27.8	4.7
Fiscal year ending November 30, 2026 (forecasts)	—	0.00	—	50.00	50.00		—	

3. Consolidated Financial Forecasts for the Fiscal Year Ending November 30, 2026

(From December 1, 2025 to November 30, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending May 31, 2026	329,000	6.5	10,500	48.5	10,300	54.7	6,800	59.4	86.91
Fiscal year ending November 30, 2026	684,000	4.9	24,000	22.5	22,600	22.3	15,000	17.1	191.72

Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

New: ONE Motoren Co., Ltd.

Excluded: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement of revisions

a. Changes in accounting policies due to revisions to accounting standards and other guidelines: None

b. Changes in accounting policies due to reasons other than a. above: None

c. Changes in accounting estimates: None

d. Restatement of revisions: None

(3) Number of common shares issued

a. Total number of issued shares at the end of the period (including treasury stock)

As of November 30, 2025 80,877,900 shares

As of November 30, 2024 80,809,800 shares

b. Number of shares of treasury stock at the end of the period

As of November 30, 2025 2,638,921 shares

As of November 30, 2024 415,841 shares

c. Average number of shares

For the year ended November 30, 2025 79,252,828 shares

For the year ended November 30, 2024 80,142,488 shares

(Note) The Company introduced a trust-type employee stock ownership incentive plan (E-Ship).

The number of shares of treasury stock at the end of the period includes the following number of shares of the Company held by the NEXTAGE Employee Stock Ownership Trust Account, a dedicated account for E-Ship set up with a trust bank.

As of November 30, 2025 2,444,400 shares

In calculation of the average number of shares, the number of shares of treasury stock deducted from the number of common shares issued includes the following number of shares of the Company owned by the above-mentioned account.

For the year ended November 30, 2025 1,407,292 shares

(Reference) Summary of Non-Consolidated Operating Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended November 30, 2025 (From December 1, 2024 to November 30, 2025)

(1) Non-Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended November 30, 2025	Millions of yen 607,910	% 16.6	Millions of yen 18,688	% 52.5	Millions of yen 17,702	% 52.2	Millions of yen 12,658	% 64.6
November 30, 2024	521,186	15.2	12,257	(20.7)	11,634	(23.3)	7,691	(30.9)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended November 30, 2025	Yen 159.73	Yen -
November 30, 2024	95.98	-

Notes: Diluted earnings per share is not stated because dilutive shares do not exist.

(2) Non-Consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
As of November 30, 2025	Millions of yen 205,137		Millions of yen 77,443		% 37.8		Yen 989.84	
November 30, 2024	201,556		71,082		35.3		884.18	

Reference: NEXTAGE shareholders' equity

As of November 30, 2025: ¥77,443 million

As of November 30, 2024: ¥71,082 million

2. Non-Consolidated Financial Forecasts for the Fiscal Year Ending November 30, 2026 (From December 1, 2025 to November 30, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Ordinary profit		Profit		Basic earnings per share	
Six months ending May 31, 2026	Millions of yen 300,000	% 3.8	Millions of yen 9,500	% 44.4	Millions of yen 6,500	% 50.3	Yen 83.08	
Fiscal year ending November 30, 2026	624,000	2.6	20,900	18.1	14,300	13.0	182.77	

* This report is not subject to audit by certified public accountants or audit firms.

* Proper use of financial forecasts, and other special matters

Financial forecasts and other statements about the future that are included in this material are based on information currently in the possession of the Company and certain conditions judged reasonable by the Company. Actual results may differ significantly due to various factors. For notes on the conditions for financial forecasts and the use of financial forecasts, please refer to "Analysis of Operating Results" beginning on page 2 of the attached documentation.

Attachment Contents

1. Overview of Operating Results, etc.....	2
(1) Analysis of Operating Results.....	2
(2) Analysis of Financial Position.....	4
(3) Basic Policy on Distribution of Profits and Dividends for Fiscal 2025 and Fiscal 2026.....	5
2. Management Policies.....	5
(1) Basic Management Policies of the Company.....	5
(2) Key Performance Indicators.....	5
(3) Medium- to Long-Term Management Strategies of the Company.....	6
(4) Key Priorities Ahead.....	7
3. Basic Stance on the Selection of Accounting Standards.....	8
4. Consolidated Financial Statements and Primary Notes.....	9
(1) Consolidated Balance Sheets.....	9
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income.....	11
(3) Consolidated Statements of Changes in Equity.....	13
(4) Consolidated Statements of Cash Flows.....	15
(5) Notes to the Consolidated Financial Statements.....	16
Uncertainties of entity's ability to continue as going concern.....	16
Significant accounting policies for preparation of consolidated financial statements.....	16
Segment information, etc.	18
Per-share information.....	19
Significant events after reporting period.....	19

1. Overview of Operating Results, etc.

(1) Analysis of Operating Results

In fiscal 2025, the year ended November 30, 2025, the Japanese economy has been expected to gradually recover thanks to the effects of various government policies such as improvement in the employment and income environment. However, there is a potential risk with downward US economy by commerce policies dragging Japanese economy also negatively. Yet, it is still necessary to mind personal consumption effected by commodity prices rise, and fluctuation in capital markets, and other factors.

Besides above, in the Japanese used car sales industry, domestic used car registrations from December 2024 through November 2025 were 6,000,940 vehicles (down 0.7% year on year). By vehicle type, used car registrations were 3,153,762 vehicles (down 1.5% year on year) for ordinary passenger cars and 2,847,178 vehicles (up 0.2% year on year) for kei-cars for the same period. (Source: statistical data from the Japan Automobile Dealers Association and Japan Light Motor Vehicle and Motorcycle Association.)

The NEXTAGE Group's management philosophy is "The Car Dealer Loved by Everyone". The Group manages our business from the perspective of the stakeholders and strives to enhance our corporate value. As a partner supporting life with cars, we operate our stores based on the recognition that we are enriching people's lives.

In dealership openings, the Group opened Yomitan store in December 2024, Hamamatsu-Shitoro store in March 2025, Satte store in October, and Kofu-Showa Interchange store in November, all as general stores. In addition, the Group opened 4 vehicle purchasing specialist stores as storefront additions to new stores. Showabashi store, Kamata store, and Tokushima store, the first store in Tokushima prefecture, Itabashi store, Hiroshima-Saeki store, and Fukuoka-Sawara store were opened as vehicle purchasing stores in a standalone format.

Used car dealership business

In the used car dealership business, the store count as of November 30, 2025, was 190 dealership bases (comprising 298 storefronts). New store openings consisted of 4 dealership bases (4 storefronts) in the Kanto-Koshinetsu region, 2 dealership bases (2 storefronts) in the Tokai-Hokuriku region, 2 dealership bases (2 storefronts) in the Chugoku-Shikoku region, and 2 dealership bases (2 storefronts) in the Kyushu-Okinawa region. In addition, the Group opened 4 vehicle purchasing specialist stores as storefront additions to new stores. Meanwhile, 2 storefronts in the Hokkaido-Tohoku region, 2 dealership bases (2 storefronts) in the Tokai-Hokuriku region, 1 storefront in the Kansai region, and 1 dealership base (1 storefront) in the Kyushu-Okinawa region changed their store formats as part of their integration into existing neighboring stores.

New car dealership business

In the new car dealership business, the store count as of November 30, 2025, was 52 dealership bases (comprising 55 storefronts). 2 dealership bases (2 storefronts) have joined our group by making business transfers in the Kanto-Koshinetsu region. 3 dealership bases (3 storefronts) have joined one of our subsidiaries by making business transfers in the Tokai-Hokuriku region. On the other hand, 1 dealership base (1 storefront) has left our group by making business transfers in the Kansai region.

As a result, the store count as of November 30, 2025, was 242 dealership bases (comprising 353 storefronts).

As a result of the above, for fiscal 2025, the Group posted net sales of ¥652,072 million (up 18.0% year on year), operating profit of ¥19,597 million (up 51.4% year on year), ordinary profit of ¥18,485 million (up 52.2% year on year), and profit attributable to owners of parent of ¥12,811 million (up 60.0% year on year).

Regional breakdowns of net sales were as follows.

Region	Fiscal 2024 (From December 1, 2023, to November 30, 2024)			Fiscal 2025 (From December 1, 2024, to November 30, 2025)			Change YoY		
	Sales amount (Millions of yen)	Bases at year-end	Sales volume (Vehicles)	Sales amount (Millions of yen)	Bases at year-end	Sales volume (Vehicles)	Sales amount (%)	Bases at year-end	Sales volume (%)
Hokkaido-Tohoku	72,371	32 (52)	62,083	79,724	32 (50)	65,440	110.2	- (-2)	105.4
Kanto-Koshinetsu	154,579	62 (91)	105,982	181,234	68 (98)	112,089	117.2	6 (7)	105.8
Tokai-Hokuriku	159,804	70 (96)	99,714	195,170	73 (100)	115,416	122.1	3 (4)	115.7
Kansai	72,630	30 (42)	53,240	78,219	29 (40)	52,918	107.7	-1 (-2)	99.4
Chugoku-Shikoku	35,248	15 (24)	36,097	42,400	17 (26)	39,797	120.3	2 (2)	110.3
Kyushu-Okinawa	58,143	22 (37)	50,386	75,323	23 (39)	60,202	129.5	1 (2)	119.5
Total	552,778	231 (342)	407,502	652,072	242 (353)	445,862	118.0	11 (11)	109.4

Notes: 1. The regions were composed of the following prefectures in which the Group has bases.

Hokkaido-Tohoku: Hokkaido, Aomori Prefecture, Akita Prefecture, Iwate Prefecture, Miyagi Prefecture, Yamagata Prefecture, Fukushima Prefecture

Kanto-Koshinetsu: Ibaraki Prefecture, Tochigi Prefecture, Gunma Prefecture, Saitama Prefecture, Chiba Prefecture, Metropolitan Tokyo, Kanagawa Prefecture, Yamanashi Prefecture, Nagano Prefecture, Niigata Prefecture

Tokai-Hokuriku: Gifu Prefecture, Aichi Prefecture, Mie Prefecture, Shizuoka Prefecture, Toyama Prefecture, Ishikawa Prefecture, Fukui Prefecture

Kansai: Shiga Prefecture, Kyoto Prefecture, Osaka Prefecture, Hyogo Prefecture, Nara Prefecture, Wakayama Prefecture

Chugoku-Shikoku: Okayama Prefecture, Hiroshima Prefecture, Tottori Prefecture, Shimane Prefecture, Yamaguchi Prefecture, Ehime Prefecture, Kagawa Prefecture, Kochi Prefecture, Tokushima Prefecture

Kyushu-Okinawa: Fukuoka Prefecture, Saga Prefecture, Nagasaki Prefecture, Kumamoto Prefecture, Oita Prefecture, Miyazaki Prefecture, Kagoshima Prefecture, Okinawa Prefecture

2. Figures in parentheses under bases at fiscal year end represent the number of storefronts. The number of dealership bases varies from the number of storefronts because a dealership base may have multiple storefronts by department.

Outlook for Fiscal 2026

The Group is expanding lifelong dealings with customers by providing optimal services to each customer, staying close to them throughout their lives with cars. We will open new stores in an environment that enables us to provide consistent services ranging from vehicle sales, sales of accessories, vehicle inspections, maintenance, repairs, and purchases. We will work to encourage customers to continue to use our services.

The Group is forecasting ¥684,000 million in net sales (up 4.9% year on year), ¥24,000 million in operating profit (up 22.5% year on year), ¥22,600 million in ordinary profit (up 22.3% year on year), and ¥15,000 million in profit attributable to owners of parent (up 17.1% year on year), all above the anticipated figures for fiscal 2026.

(2) Analysis of Financial Position

1) Assets, Liabilities, and Net Assets

Total assets as of November 30, 2025, the fiscal year-end, were ¥226,777 million, an increase of ¥4,510 million from the previous fiscal year-end.

Total current assets increased by ¥3,889 million from the previous fiscal year-end to ¥136,347 million. The main contributing factors were increases of ¥8,509 million in accounts receivable - trade and ¥12,652 million in merchandise, partly offset by a decrease of ¥18,024 million in cash and deposits.

Total non-current assets increased by ¥620 million from the previous fiscal year-end to ¥90,429 million. The main contributing factor was an increase of ¥294 million in machinery, equipment and vehicles primarily in connection with the opening of new stores.

Total current liabilities increased by ¥6,937 million from the previous fiscal year-end to ¥73,936 million. The main contributing factor was an increase of ¥6,750 million in current portion of long-term borrowings.

Total non-current liabilities decreased by ¥8,895 million from the previous fiscal year-end to ¥73,644 million. The main contributing factor was a decrease of ¥8,463 million in long-term borrowings.

Total net assets increased by ¥6,467 million from the previous fiscal year-end to ¥79,195 million. The main contributing factor was an increase of ¥10,083 million in retained earnings.

2) Cash Flows

Cash and cash equivalents ("cash") on November 30, 2025, was ¥17,543 million, a decrease of ¥18,024 million from the previous fiscal year-end. Cash flows during the fiscal year under review and analysis of the main components were as follows:

Cash Flows from Operating Activities

Net cash provided in operating activities was ¥9,187 million, compared with ¥3,024 million provided in the previous fiscal year. The main component was a profit before income taxes of ¥17,600 million.

Cash Flows from Investing Activities

Net cash used in investing activities was ¥7,331 million, compared with ¥18,454 million used in the previous fiscal year. The main components were purchase of property, plant and equipment of ¥6,096 million accompanying new store openings and payments of guarantee deposits of ¥607 million.

Cash Flows from Financing Activities

Net cash used by financing activities was ¥19,881 million, compared with ¥21,367 million provided in the previous fiscal year. The main component was repayments of long-term borrowings of ¥17,113 million.

(Reference) Trends in Cash Flow Indicators

	Fiscal 2024	Fiscal 2025
Equity ratio (%)	32.7	34.9
Market-value equity ratio (%)	52.3	92.7
Interest-bearing debt to cash flow ratio (Years)	36.3	10.6
Interest coverage ratio (Times)	6.0	9.8

Equity ratio: NEXTAGE shareholders' equity / total assets

Market-value equity ratio: market capitalization / total assets

Interest-bearing debt to cash flow ratio: interest bearing debt / operating cash flow

Interest coverage ratio: operating cash flow / interest payments

Notes: 1. All of the aforementioned indicators are calculated from consolidated financial figures.

2. Market capitalization is calculated based on the number of issued shares excluding treasury stock.

3. The figures used for cash flow are cash flows from operating activities.

4. Interest-bearing debt represents all liabilities recorded on the consolidated balance sheets for which interest is paid.

(3) Basic Policy on Distribution of Profits and Dividends for Fiscal 2025 and Fiscal 2026

The Company considers it a top priority to secure returns for shareholders from its operations, and has a basic policy of consistently paying stable dividends to shareholders, while considering the need to strengthen the business foundation and maintain a healthy financial structure. In principle the Company plans to pay a year-end dividend each fiscal year, with the General Meeting of Shareholders as the body approving the dividend. The Company has established a provision in its Articles of Incorporation stipulating that the Company may issue an interim dividend pursuant to a resolution by the Board of Directors, with May 31 as the record date.

The Company plans to pay dividends after setting aside a portion of retained earnings as cash on hand for enhancing shareholders' equity and as reserves for investing effectively in the Group's growth, including in the development of stores in which growth can be expected.

Based on the policy above, for fiscal 2025, in order to further increase returns for shareholders from its operations and contribute to the medium- to long-term enhancement of corporate value, the Company plans to pay an annual dividend of ¥45 per share.

In addition, based on the above policy, the Company is planning to pay an annual dividend of ¥50 per share for fiscal 2026.

2. Management Policies

(1) Basic Management Policies of the Company

The NEXTAGE Group's management philosophy is "The Car Dealer Loved by Everyone".

This "Everyone" includes all stakeholders who the Group would encounter through our business such as customers, business partners, shareholders, investors, local communities, employees and their families. We will always remember to be grateful for the fact that it is thanks to these people for us to sustain the business. We will do our best for the customers in front of us, and will be a car dealership that is loved by the local communities and stakeholders and that they want to use for a long time. The management philosophy embodies above mind.

Based on this management philosophy, the NEXTAGE Group is expanding lifelong dealings with customers. The Group will stay closely attuned to customers' lifelong needs around cars and offer the most appropriate services to each customer, which include not only sales of cars but also sales of any kind of car accessories, maintenance, vehicle inspections, vehicle purchasing and suggestions for the next car.

(2) Key Performance Indicators

The Group will continuously expand our business and dealings with customers to achieve high growth. We will improve profitability of each store to gain funds for new store openings. Furthermore, we enhance profitability and corporate value by getting market share through employee education and lifelong dealings with customers to increase their satisfaction and the number of customers procured by us.

Financial targets (consolidated basis)	(Millions of yen)		
	Fiscal 2024 results	Fiscal 2025 results	Fiscal 2026 forecasts
Net sales	552,778	652,072	684,000
Operating profit	12,943	19,597	24,000
Operating margin	2.3%	3.0%	3.5%
Ordinary profit	12,144	18,485	22,600
Profit attributable to owners of parent	8,006	12,811	15,000

(3) Medium- to Long-Term Management Strategies of the Company

Based on the management policies mentioned before, in order to continuously enhance our corporate value, four mechanisms are particularly important: (1) number 1 store in each local community, (2) profitability improvement at stores, (3) educating employees having expertise and problem-solving ability, and (4) reinforcement of product management.

①Number 1 store in each local community

Automotive transactions extend beyond the initial vehicle purchases. There are various business opportunities for a long time, including daily maintenance, vehicle inspections, and car buying services for customers. Our group aims to establish stores that customers can continuously visit for all car-related services, supporting their life with cars in every region nationwide. To achieve this, it is essential to create an environment where customers can use our services without any concerns, while also enhancing the quality of our products, services, and attitude to customers to increase their satisfaction. Furthermore, we reframe store operation by accurately understanding the characteristics of each store's location and customer needs.

②Profitability improvement at stores

For our group to provide products and services to a greater number of customers, it is important to achieve continuous growth, and gain market share within the automotive industry. This requires expansion and promotion of transactions at existing stores while also expanding our business areas through new store openings. Especially regarding profitability improvement at existing stores, we will strengthen cross-department cooperation to drive overall operational efficiency and optimization, by which we can achieve higher productivity in store operations. At unprofitable stores, headquarters and the stores work closely to develop improvement measures for store operational efficiency and appropriate vehicle procurement.

③Educating employees having expertise and problem-solving ability

It is essential to create an environment that improves service quality, employees' expertise, and their responsiveness in order to offer customers valuable services. We will implement training programs focused on enhancing product knowledge, maintenance skills, and proposal capabilities in terms of expanding our educational framework to improve employee expertise. We will also progressively delegate authority to stores in terms of enhancement in employee responsiveness. This will build an operational framework where frontline teams can autonomously tackle recruitment, procurement, and customer acquisition, leading to further improvements in service quality.

④Reinforcement of product management

It is crucial for our group to manage products at stores as we handle a large number of products and a wide range of vehicles. Therefore, we conceive the product turnover days as an important index. By visualizing and optimizing the lead times from inventory receipt to productization, from productization to contract, and from contract to delivery, we are enabled to appropriately price in response to market fluctuations. Moreover, we will make our sales channel diverse by expanding direct sales to automotive dealers in addition to retail sales and sales via auto auctions to enhance inventory liquidity. This allows us to have maximized revenue opportunities and secure sales foundation.

(4) Key Priorities Ahead

The Group's key business and financial priorities in implementing its management policies and management strategies are as follows.

①Strengthening the financial foundation with a focus on capital efficiency

To strengthen capital-efficient management and enhance corporate value, improving store profitability and executing efficient investments are essential. Our store profitability improvements include securing funds for growth investments by strengthening management of unprofitable stores and ensuring stable earnings. Efficient investment execution includes optimization of capital allocation by continuous store openings at appropriate prices.

②Response to market fluctuations

To ensure stable earnings, we believe it is crucial to accurately understand market trends and local demand, and promptly reflect these insights into our business operations. We are required to strengthen our business foundation against fluctuations in vehicle prices and demand trends. We expand direct transactions with automotive dealers, in addition to retail sales and sales via auto auctions. The number of certified mechanics is declining even though the automotive maintenance industry is experiencing market growth. This means that the importance of their recruitment is increasing significantly. Therefore, We will intensify our mechanic recruitments, at the same time advancing education for the next generation, including support for automotive technician training schools.

③Reinforcement of Human Resources

We believe that supporting employee growth will eventually lead to business expansion, since this enhances customer satisfaction. To achieve this, it is essential to educate employees working and deciding autonomously with high expertise. We continue to cultivate our training systems. Furthermore, we encourage employees to gain high expertise and management insight by advancing delegation of authority to stores in which each employee acts autonomously. We will also support career development as well as create a workplace where diverse talents can fully utilize their abilities. All of these are expected to improve employee satisfaction, as reflected in enhanced employee engagement and reduced turnover rates.

④Reinforcement of Governance and Compliance

Strengthening governance structures and ensuring compliance are fundamental pillars supporting corporate management. To strengthen governance, we recognize the importance of enhancing corporate value while ensuring soundness through efficient and transparent management practices. This is why we strive to ensure effectiveness and transparency. We consider compliance our top priority to uphold corporate credibility. This commitment enables customers to use our services with confidence. We will further elevate compliance awareness across the organization, thereby establishing sustainable management foundation. This will be implemented by advancing the delegation of authority to stores, and initiatives to raise compliance awareness while fostering autonomy. In conclusion, our ultimate objective is to earn the trust of our stakeholders.

⑤Business efficiency by utilization of IT and reinforcement of information security

We need to take measures to sustain business growth in an environment where the working-age population is declining. We recognize that digitalization for business efficiency and automation can be a critical solution to this challenge. We have been introducing and expanding IT tools across diverse areas such as product management, sales activities, and customer management. This would not only lead us to more profit but also streamline operations, reduce employee workload, and ultimately enhance customer convenience. However, digitalization also requires robust information security measures to prevent and counter cyberattacks and data breaches. We are committed to maximizing the benefits of digitalization while maintaining and enhancing a secure digital environment.

3. Basic Stance on the Selection of Accounting Standards

The NEXTAGE Group applies Japanese generally accepted accounting principles (J-GAAP) as its accounting standard to ensure the comparability of its financial statements with other companies in its industry in Japan. The Group will review the adoption of International Financial Reporting Standards (IFRS) should the need arise, in view of changes in the shareholding ratio of its stock by foreign investors.

4. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	Fiscal 2024 (As of November 30, 2024)	Fiscal 2025 (As of November 30, 2025)
Assets		
Current assets		
Cash and deposits	35,711	17,686
Accounts receivable - trade	11,630	20,140
Merchandise	75,852	88,504
Work in process	812	869
Supplies	1,278	1,271
Other	7,201	7,906
Allowance for doubtful accounts	(30)	(31)
Total current assets	<u>132,457</u>	<u>136,347</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures	66,603	70,355
Accumulated depreciation	(15,300)	(19,622)
Buildings and structures, net	<u>51,302</u>	<u>50,733</u>
Machinery, equipment and vehicles	14,015	14,559
Accumulated depreciation	(3,103)	(3,354)
Machinery, equipment and vehicles, net	<u>10,911</u>	<u>11,205</u>
Land	2,773	2,773
Construction in progress	1,839	1,933
Other	8,477	9,385
Accumulated depreciation	(3,701)	(5,386)
Other, net	4,775	3,998
Total property, plant and equipment	<u>71,602</u>	<u>70,645</u>
Intangible assets		
Goodwill	2,519	2,330
Other	2,014	2,172
Total Intangible assets	<u>4,533</u>	<u>4,503</u>
Investments and other assets		
Investment securities	67	52
Long-term loans receivable	659	780
Retirement benefit asset	621	710
Deferred tax assets	4,163	4,501
Guarantee deposits	8,014	8,553
Investment property	35	35
Accumulated depreciation	(5)	(7)
Investment property, net	29	27
Other	117	654
Total investments and other assets	<u>13,672</u>	<u>15,281</u>
Total non-current assets	<u>89,809</u>	<u>90,429</u>
Total assets	222,266	226,777

	(Millions of yen)	
	Fiscal 2024 (As of November 30, 2024)	Fiscal 2025 (As of November 30, 2025)
Liabilities		
Current liabilities		
Accounts payable - trade	12,435	17,384
Short-term borrowings	19,701	7,973
Current portion of long-term borrowings	15,282	22,032
Lease liabilities	85	34
Income taxes payable	1,866	3,751
Other	17,627	22,761
Total current liabilities	<hr/> 66,998	<hr/> 73,936
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	69,676	61,213
Lease liabilities	177	96
Deferred tax liabilities	628	539
Asset retirement obligations	3,132	3,180
Other	3,925	3,615
Total non-current liabilities	<hr/> 82,540	<hr/> 73,644
Total liabilities	<hr/> 149,538	<hr/> 147,581
Net assets		
Shareholders' equity		
Share capital	8,133	8,183
Capital surplus	13,592	13,641
Retained earnings	51,595	61,679
Treasury shares	(461)	(4,190)
Total shareholders' equity	<hr/> 72,860	<hr/> 79,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15	7
Remeasurements of defined benefit plans	(147)	(126)
Total accumulated other comprehensive income	<hr/> (132)	<hr/> (118)
Total net assets	<hr/> 72,727	<hr/> 79,195
Total liabilities and net assets	<hr/> 222,266	<hr/> 226,777

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

Consolidated Statements of Income

	(Millions of yen)	
	Fiscal 2024 (From December 1, 2023 to November 30, 2024)	Fiscal 2025 (From December 1, 2024 to November 30, 2025)
Net sales	552,778	652,072
Cost of sales	454,109	539,907
Gross profit	98,668	112,165
Selling, general and administrative expenses	85,725	92,567
Operating profit	12,943	19,597
Non-operating income		
Insurance claim income	29	55
Gain on sales of scraps	74	96
Subsidy income	9	15
Other	286	523
Total non-operating income	399	691
Non-operating expenses		
Interest expenses	501	931
Loss on valuation of derivatives	–	397
Rent cost	2	1
Commission expenses	331	30
Other	363	444
Total non-operating expenses	1,198	1,804
Ordinary profit	12,144	18,485
Extraordinary income		
Insurance claim income	131	–
Total extraordinary income	131	–
Extraordinary losses		
Impairment losses	1,071	885
Total extraordinary losses	1,071	885
Profit before income taxes	11,204	17,600
Income taxes - current	3,801	5,185
Income taxes - deferred	(603)	(396)
Total income taxes	3,198	4,788
Profit	8,006	12,811
Profit attributable to owners of parent	8,006	12,811

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal 2024 (From December 1, 2023 to November 30, 2024)	Fiscal 2025 (From December 1, 2024 to November 30, 2025)
Profit	8,006	12,811
Other comprehensive income		
Valuation difference on available-for-sale securities	4	(7)
Remeasurements of defined benefit plans, net of tax	50	21
Total other comprehensive income	54	13
Comprehensive income	<u>8,060</u>	<u>12,825</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,060	12,825
Comprehensive income attributable to non-controlling interests	–	–

(3) Consolidated Statements of Changes in Equity

Fiscal 2024 (From December 1, 2023 to November 30, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,084	13,542	46,168	(1,102)	66,691
Changes during period					
Issuance of new shares	49	49			99
Dividends of surplus			(2,578)		(2,578)
Profit attributable to owners of parent			8,006		8,006
Purchase of treasury shares					-
Disposal of treasury shares				641	641
Effect of changes in accounting period of subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	49	49	5,427	641	6,168
Balance at end of period	8,133	13,592	51,595	(461)	72,860

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	10	(197)	(186)	66,504
Changes during period				
Issuance of new shares				99
Dividends of surplus				(2,578)
Profit attributable to owners of parent				8,006
Purchase of treasury shares				-
Disposal of treasury shares				641
Effect of changes in accounting period of subsidiaries				-
Net changes in items other than shareholders' equity	4	50	54	54
Total changes during period	4	50	54	6,223
Balance at end of period	15	(147)	(132)	72,727

Fiscal 2025 (From December 1, 2024 to November 30, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,133	13,592	51,595	(461)	72,860
Changes during period					
Issuance of new shares	49	49			99
Dividends of surplus			(2,660)		(2,660)
Profit attributable to owners of parent			12,811		12,811
Purchase of treasury shares				(4,399)	(4,399)
Disposal of treasury shares				671	671
Effect of changes in accounting period of subsidiaries			(67)		(67)
Net changes in items other than shareholders' equity					
Total changes during period	49	49	10,083	(3,728)	6,453
Balance at end of period	8,183	13,641	61,679	(4,190)	79,313

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	15	(147)	(132)	72,727
Changes during period				
Issuance of new shares				99
Dividends of surplus				(2,660)
Profit attributable to owners of parent				12,811
Purchase of treasury shares				(4,399)
Disposal of treasury shares				671
Effect of changes in accounting period of subsidiaries				(67)
Net changes in items other than shareholders' equity	(7)	21	13	13
Total changes during period	(7)	21	13	6,467
Balance at end of period	7	(126)	(118)	79,195

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal 2024 (From December 1, 2023 to November 30, 2024)	Fiscal 2025 (From December 1, 2024 to November 30, 2025)
Cash flows from operating activities		
Profit before income taxes	11,204	17,600
Depreciation	6,038	6,615
Impairment losses	1,071	885
Increase (decrease) in allowance for doubtful accounts	(4)	0
Decrease (increase) in retirement benefit asset	(188)	(89)
Interest and dividend income	(13)	(84)
Interest expenses	501	931
Commission expenses	331	30
Decrease (increase) in trade receivables	97	(8,509)
Decrease (increase) in inventories	(12,349)	(12,702)
Increase (decrease) in trade payables	2,244	4,948
Increase (decrease) in advances received	(787)	1,705
Other, net	(159)	2,002
Subtotal	7,986	13,336
Interest and dividends received	13	84
Interest paid	(501)	(931)
Income taxes paid	(4,474)	(3,301)
Net cash provided by (used in) operating activities	3,024	9,187
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,023)	(6,096)
Purchase of intangible assets	(163)	(546)
Payments of guarantee deposits	(1,148)	(607)
Proceeds from refund of guarantee deposits	169	68
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(4,342)	—
Other, net	1,054	(148)
Net cash provided by (used in) investing activities	(18,454)	(7,331)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,508)	(11,728)
Proceeds from long-term borrowings	39,545	15,400
Repayments of long-term borrowings	(15,718)	(17,113)
Proceeds from issuance of bonds	5,000	—
Repayments of lease liabilities	(92)	(131)
Purchase of treasury shares	—	(4,399)
Proceeds from disposal of treasury shares	941	752
Dividends paid	(2,578)	(2,660)
Commission for syndicate loan paid	(220)	—
Net cash provided by (used in) financing activities	21,367	(19,881)
Net increase (decrease) in cash and cash equivalents	5,937	(18,024)
Cash and cash equivalents at beginning of period	29,630	35,567
Cash and cash equivalents at end of period	35,567	17,543

(5) Notes to the Consolidated Financial Statements

(Uncertainties of entity's ability to continue as going concern)

None

(Significant accounting policies for preparation of consolidated financial statements)

1. Disclosure of scope of consolidation

(1) Number of consolidated subsidiaries: 10

Name of consolidated subsidiaries: ASAP Co., Ltd.
NEW Co., Ltd.
Ai Co., Ltd.
Universe Rent a Car Co., Ltd.
ALC Co., Ltd.
ALC Motoren Co., Ltd.
ADVANCE Co., Ltd.
ALC Speciale Co., Ltd.
ALC Motoren Tokyo Co., Ltd.
ONE Motoren Co., Ltd.

ONE Motoren Co., Ltd. is included in the scope of consolidation as it was newly established during the fiscal year ended November 30, 2025.

(2) Unconsolidated subsidiaries

None

2. Disclosure about application of equity method

There are no unconsolidated subsidiaries or associates accounted for using equity method.

3. Disclosure about fiscal years, etc. of consolidated subsidiaries

The fiscal year-end of the consolidated subsidiaries matches the consolidated fiscal year-end of the Company.

4. Disclosure of accounting policies

(1) Accounting policy for measuring significant assets

i. Marketable securities

Other marketable securities

Items without available fair values

Measured at cost using the moving average method.

Investments in investment partnerships and other such partnerships (those considered as marketable securities under Article 2 Paragraph 2 of the Financial Instruments & Exchange Act) are measured by incorporating the net amount of the Company's equity based on the most recent financial report available as of the financial reporting date stipulated in the partnership agreement.

ii. Inventories

Merchandise and work in process

Measured at cost by the specific identification method (the balance sheet value is calculated by writing down the carrying amount based on the decrease in profitability)

Supplies

Measured at cost by the latest purchase price method (the balance sheet value is calculated by writing down the carrying amount based on the decrease in profitability)

(2) Accounting policy for depreciation of significant assets

i. Property, plant and equipment (excluding lease assets) and real estate for investment

Measured by the straight-line method. The main useful lives are measured as follows.

Buildings and structures	3 – 39 years
--------------------------	--------------

Machinery, equipment and vehicles	2 – 15 years
-----------------------------------	--------------

Real estate for investment	10 – 20 years
----------------------------	---------------

ii. Intangible assets (excluding lease assets)

Measured by the straight-line method.

Software used by the Company is measured based on the estimated useful life within the Company (5 years).

Contract-related intangible assets are amortized over their estimated useful lives (20 years).

iii. Lease assets

Lease assets relating to finance lease transactions without transfer of ownership are depreciated by the straight-line method over the lease term.

(3) Accounting policy for significant provisions

Allowance for doubtful accounts

To provide for loss due to bad debts, the Company recognizes the amount of its ordinary receivables multiplied by the loan loss ratio, and the expected unrecoverable amounts for particular receivables such as doubtful accounts receivable after examining the individual potential for recovery in each case.

(4) Accounting policy for retirement benefits

i. Method of attributing expected benefit to periods

In calculating retirement benefit obligations, the expected retirement benefit amount to the service period up until the end of the consolidated fiscal year under review is attributed on the benefit formula basis.

ii. Method of accounting for actuarial gains and losses

Actuarial gains and losses are amortized using the straight-line method over 6 years, with the amount prorated beginning in the consolidated fiscal year in which it is incurred.

(5) Accounting policy for hedging

i. Accounting policy for hedging

Interest rate swaps are accounted for using “exceptional accounting” (tokurei shori) as they qualify for this.

ii. Hedging methods and hedged items

(Hedging methods) (Hedged items)

Interest rate swaps Interest on borrowings

iii. Hedging policy

The Company conducts interest-rate swap transactions to mitigate interest-rate fluctuation risk on its borrowings. Hedged items are recognized separately for each individual contract.

iv. Method for evaluating hedge efficacy

Interest rate swaps qualify for “exceptional accounting” (tokurei shori) and the evaluation of their efficacy on the consolidated closing date is therefore omitted.

(6) Accounting policy for significant revenues and expenses

The Group applies the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan [ASBJ] Statement No. 29, March 31, 2020), etc. (“Revenue Recognition Accounting Standard, etc.”), and recognizes revenues when the control of the promised goods or services is transferred to customers, in an amount that the Group expects to receive in exchange for those goods or services.

The details of the main performance obligations in the major businesses related to revenues generated from contracts with the Group's customers and the timing at which the Group typically satisfies these performance obligations (when it typically recognizes revenue) are as follows:

i. Vehicle sales

Revenues are recognized when purchased vehicles are delivered to customers. However, for vehicles that meet the requirements for the transfer of control in bill-and-hold arrangements, revenues are recognized when those requirements are met.

ii. Vehicle sales in installments

Revenues are recognized in their cash sales prices when vehicles are sold, and the interest portion of the installment fees are distributed in profit or loss in every fiscal year over the period through the settlement date by using the amortized cost method (interest method) because the installment interest has been determined to be an important financial element.

(7) Amortization method and period of goodwill

Goodwill is amortized over 12 years by the straight-line method.

(8) Scope of cash and cash equivalents in consolidated statements of cash flows

Cash and cash equivalents comprise cash on hand, demand deposits, and short-term investment that are readily convertible into cash, have only a small risk of value fluctuation, and have maturity dates within 3 months from the date of acquisition.

(Segment information, etc.)

Segment information

Segment information is omitted as the Group has only a single segment, which is engaged in automobile sales and associated services.

Information associated with reportable segments

Fiscal 2024 (December 1, 2023, to November 30, 2024)

1. Information for each product or service

This information is omitted as sales to external customers for a single product or service category exceed 90% of net sales in the consolidated statements of income.

2. Information for each region

(1) Revenues from external customers

This information is omitted because revenues from external customers in Japan exceed 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

There is no relevant information as the Company does not own any property, plant and equipment outside of Japan.

3. Information for each main customers

This information is not recorded because there are no cases where revenues from an external customer account for 10% or more of net sales in the consolidated statements of income.

Fiscal 2025 (December 1, 2024, to November 30, 2025)

1. Information for each product or service

This information is omitted because revenues from external customers for a single product or service category exceed 90% of net sales in the consolidated statements of income.

2. Information for each region

(1) Revenues from external customers

This information is omitted because revenues from external customers in Japan exceed 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

There is no relevant information as the Company does not own any property, plant and equipment outside of Japan.

3. Information for each main customers

This information is not recorded because there are no cases where revenues from an external customer account for 10% or more of net sales in the consolidated statements of income.

Disclosure of impairment losses on non-current assets for each reportable segment

Segment information is omitted as the Group has only a single segment.

Amortization and unamortized balance of goodwill for each reportable segment

Not applicable.

Information about gain on bargain purchase for each reportable segment

Not applicable.

(Per-share information)

	Previous fiscal year (December 1, 2023, to November 30, 2024)	Fiscal year under review (December 1, 2024, to November 30, 2025)
Net assets per share	¥904.64	¥1,012.23
Basic earnings per share	¥99.90	¥161.65
Diluted earnings per share	—	—

Note: 1. Diluted earnings per share is not stated because dilutive shares do not exist.

2. The basis for calculation of basic earnings per share and diluted earnings per share is as follows.

Item	Previous fiscal year (December 1, 2023, to November 30, 2024)	Fiscal year under review (December 1, 2024, to November 30, 2025)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	8,006	12,811
Amount not attributable to ordinary shareholders (Millions of yen)	—	—
Profit attributable to owners of parent related to common shares (Millions of yen)	8,006	12,811
Average number of common shares during the period (shares)	80,142,488	79,252,828
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (Millions of yen)	—	—
Increase in number of common shares (Shares)	—	—
(Of which, share acquisition rights (Shares))	(—)	(—)
Summary of convertible securities not included in diluted earnings per share due to having no dilutive effect	—	—

3. The basis for calculation of net assets per share is as follows.

Item	Fiscal 2024 (As of November 30, 2024)	Fiscal 2025 (As of November 30, 2025)
Total amount in net assets (Millions of yen)	72,727	79,195
Amount deducted from total amount in net assets (Millions of yen)	—	—
(Of which, share acquisition rights (Millions of yen))	(—)	(—)
Net assets at the end of the period related to common shares (Millions of yen)	72,727	79,195
Number of common shares at the end of the period used for calculation of net assets per share (Shares)	80,393,959	78,238,979

Note: Shares of the Company held by the NEXTAGE Employee Stock Ownership Trust Account (466,362 shares for the year ended November 30, 2024, and 1,407,292 shares for the year ended November 30, 2025) have been included in the number of treasury shares that are deducted from the average number of shares for the purpose of calculating basic earnings per share. Shares of the Company held by the NEXTAGE Employee Stock Ownership Trust Account (228,000 shares as of November 30, 2024, and 2,444,400 shares as of November 30, 2025) have been included in the number of treasury shares that are deducted from the total number of issued shares at the end of the period for the purpose of calculating net assets per share.

(Significant events after reporting period)

Not applicable.