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**Summary of Consolidated Financial Results
for the Six Months Ended June 30, 2025
(Based on Japanese GAAP)**

August 8, 2025

Company name: CERES INC.
 Stock exchange listing: Tokyo
 Stock code: 3696 URL <https://ceres-inc.jp/ir/English/>
 Representative: President and Representative Director Satoshi Takagi
 Inquiries: Managing Director and General Manager of Yasuhiro Kobayashi TEL +81 3-6455-3756
 the Administrative Division
 Scheduled date to file Quarterly Securities Report: August 13, 2025
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

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

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2025	15,854	20.6	3,562	187.3	1,461	80.1	1,068	(0.1)	1,552	130.6
Six months ended June 30, 2024	13,151	17.2	1,240	55.8	811	74.1	1,069	101.2	673	90.1

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2025	134.77	-
Six months ended June 30, 2024	58.77	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	32,283	12,686	37.3
As of December 31, 2024	32,976	12,721	33.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2024	-	0.00	-	60.00	60.00
Year ending December 31, 2025	-	0.00			
Year ending December 31, 2025 (Forecast)			-	60.00	60.00

3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

Percentages indicate year-on-year changes

	Net sales		EBITDA		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	%	Millions of yen	%	Yen
Full year	28,400	2.5	6,050	92.3	2,850	27.9	3,250	21.4	3,350	126.2	291.04

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended June 30, 2025: Yes
 (changes in specified subsidiaries resulting in the change in scope of consolidation):
 Newly added: 3 company (Apollo Capital II Investment Limited Partnership, DINETTE Inc., M Corporation, Inc.),
 Excluded: 1 company (YUMEMI Inc.)

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2025	12,116,500 shares	As of December 31, 2024	12,084,600 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	576,104 shares	As of December 31, 2024	574,181 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2025	11,517,554 shares	Six months ended June 30, 2024	11,456,035 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31,2024	As of June 30,2025
Assets		
Current assets		
Cash and deposits	11,574,595	10,752,976
Notes and accounts receivable - trade, and contract	3,901,187	3,368,880
Operational investment securities	2,527,342	2,433,678
Merchandise and finished goods	1,855,396	2,001,758
Work in process	129,932	-
Raw materials and supplies	66,136	61,550
Other	3,977,344	3,728,502
Allowance for doubtful accounts	(181,751)	(296,799)
Total current assets	23,850,185	22,050,547
Non-current assets		
Property, plant and equipment	779,760	670,384
Intangible assets		
Goodwill	1,331,991	1,548,039
Other	155,822	248,704
Total intangible assets	1,487,814	1,796,743
Investments and other assets		
Shares of subsidiaries and associates	3,600,870	3,211,787
Other	3,274,168	4,620,317
Allowance for doubtful accounts	(16,788)	(66,495)
Total investments and other assets	6,858,250	7,765,609
Total non-current assets	9,125,824	10,232,737
Total assets	32,976,010	32,283,285
Liabilities		
Current liabilities		
Accounts payable - trade	865,983	947,771
Short-term borrowings	4,428,700	3,292,000
Current portion of long-term borrowings	1,995,590	1,944,668
Income taxes payable	737,745	1,744,422
Provision for point card certificates	4,339,317	5,234,603
Provision for bonuses	-	39,548
Provision for bonuses for directors (and other officers)	65,000	-
Other	4,419,688	3,706,625
Total current liabilities	16,852,024	16,909,640
Non-current liabilities		
Long-term borrowings	3,090,915	2,325,366
Asset retirement obligations	278,938	280,028
Other	33,024	82,024
Total non-current liabilities	3,402,878	2,687,419
Total liabilities	20,254,903	19,597,060

(Thousands of yen)

	As of December 31,2024	As of June 30,2025
Net assets		
Shareholders' equity		
Share capital	2,125,062	2,158,892
Capital surplus	3,266,570	3,333,901
Retained earnings	5,972,175	6,833,789
Treasury shares	(307,896)	(307,958)
Total shareholders' equity	11,055,912	12,018,624
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	92,364	27,556
Total accumulated other comprehensive income	92,364	27,556
Non-controlling interests	1,572,828	640,044
Total net assets	12,721,106	12,686,225
Total liabilities and net assets	32,976,010	32,283,285

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended June 30,2024	Six months ended June 30,2025
Net sales	13,151,462	15,854,278
Cost of sales	6,912,303	9,002,569
Gross profit	6,239,158	6,851,708
Selling, general and administrative expenses	5,427,713	5,389,976
Operating profit	811,445	1,461,731
Non-operating income		
Interest income	180	5,315
Share of profit of entities accounted for using equity method	238,063	-
Rebates received	5,084	6,559
Return on investment in partnership	43,679	2,029
Other	2,939	4,941
Total non-operating income	289,947	18,845
Non-operating expenses		
Interest expenses	17,290	34,281
Share of loss of entities accounted for using equity method	-	359,778
Other	14,450	18,097
Total non-operating expenses	31,740	412,157
Ordinary profit	1,069,653	1,068,419
Extraordinary income		
Gain on sales of shares of associates	-	2,266,911
Gain on reversal of stock acquisition rights	755	-
Total extraordinary income	755	2,266,911
Extraordinary losses		
Loss on change in equity	72,248	23,348
Head office relocation expenses	12,483	-
Reorganization-related expenses	-	18,886
Other	1,738	-
Total extraordinary losses	86,469	42,235
Profit before income taxes	983,938	3,293,095
Income taxes - current	419,896	1,869,290
Income taxes - deferred	(86,679)	(300,482)
Total income taxes	333,217	1,568,808
Profit	650,721	1,724,287
Profit (loss) attributable to non-controlling interests	(22,517)	172,048
Profit attributable to owners of parent	673,238	1,552,238

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended June 30,2024	Six months ended June 30,2025
Profit	650,721	1,724,287
Other comprehensive income		
Valuation difference on available-for-sale securities	(112,582)	(59,017)
Share of other comprehensive income of entities accounted for using equity method	6,957	(5,791)
Total other comprehensive income	(105,625)	(64,808)
Comprehensive income	545,095	1,659,478
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	567,613	1,487,429
Comprehensive income attributable to non-controlling interests	(22,517)	172,048

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended June 30,2024	Six months ended June 30,2025
Cash flows from operating activities		
Profit before income taxes	983,938	3,293,095
Depreciation	120,298	107,289
Amortization of goodwill	102,812	102,812
Increase (decrease) in provision for point card certificates	193,905	895,285
Increase (decrease) in allowance for doubtful accounts	59,916	164,755
Increase (decrease) in provision for head office relocation expense	(36,720)	-
Interest income	(180)	(5,315)
Interest expenses	17,290	43,973
Share of loss (profit) of entities accounted for using equity method	(238,063)	359,778
Loss (gain) on investments in investment partnerships	(43,679)	(2,029)
Loss (gain) on change in equity	72,248	23,348
Gain (loss) on sales of shares of associates	-	(2,266,911)
Decrease (increase) in trade receivables and contract assets	295,131	(415,921)
Decrease (increase) in operational investment securities	9,963	(157,842)
Decrease (Increase) in merchandise and finished goods	(567,045)	(19,179)
Decrease (increase) in work in process	(46,177)	(11,528)
Decrease (increase) in raw materials and supplies	42,202	15,999
Increase (decrease) in trade payables	(59,332)	156,276
Increase (decrease) in accrued consumption taxes	(118,824)	168,964
Other, net	(5,811)	(393,321)
Subtotal	781,871	2,059,529
Interest received	180	5,298
Interest paid	(19,540)	(44,609)
Income taxes paid	(199,200)	(700,842)
Cash flows from operating activities	563,311	1,319,375
Cash flows from investing activities		
Purchase of property, plant and equipment	(277,010)	(62,564)
Purchase of intangible assets	(147,911)	(60,531)
Purchase of investment securities	(114,425)	(621,140)
Distributions received from investment partnerships	104,419	19,294
Proceeds from sale of shares in subsidiaries resulting in change in scope of consolidation	-	1,665,902
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(173,693)
Other, net	(9,481)	9,242
Cash flows from investing activities	(444,409)	776,510

	(Thousands of yen)	
	Six months ended June 30,2024	Six months ended June 30,2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	527,000	(1,236,700)
Proceeds from long-term borrowings	2,500,000	150,000
Repayments of long-term borrowings	(855,344)	(1,134,250)
Redemption of bonds	(35,000)	-
Proceeds from issuance of shares resulting from exercise of share acquisition rights	112,931	-
Dividends paid	(227,403)	(689,329)
Capital infusion from noncontrolling	598,000	62,700
Distributions to noncontrolling shareholders	(88,367)	-
Other, net	(77)	(62)
Cash flows from financing activities	2,531,737	(2,847,641)
Net increase (decrease) in cash and cash equivalents	2,650,639	(751,756)
Cash and cash equivalents at beginning of period	8,051,638	11,520,793
Cash and cash equivalents at end of period	10,702,277	10,769,037