AVANT GROUP

AVANT GROUP CORPORATION

www.avantgroup.com

3836 TSE Prime

Avant Group Corporation

Financial Results Briefing for the Third Quarter of Fiscal Year June 2026

April 30, 2026

This is an unofficial translation. In the event of any discrepancy between the original Japanese text and this English translation, the Japanese text shall prevail.

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Financial highlights for the nine months FY6/26

Net Sales	Operating Profit	Net Income
¥22,828 million	¥4,072 million	¥2,542 million
(YoY +9.0%)	(YoY +12.3 %)	(YoY +12.0%)

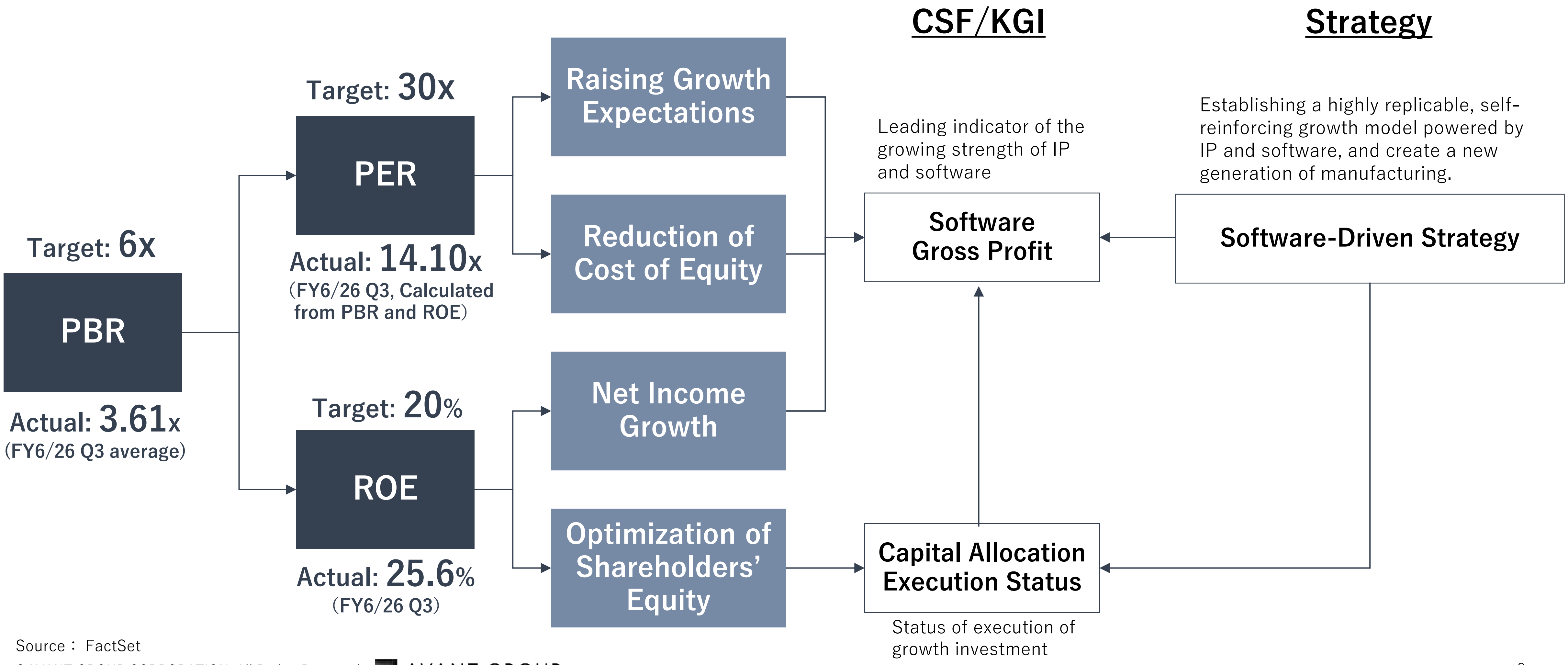
OP Margin	OP per capita	Software GP	ROE
17.8%	¥2.3 million	¥729 million	25.6%
(YoY +0.5pts)	(YoY +1.0%)	(YoY +2.1%)	(YoY +2.7pts)

Forecasts for the year ending 30 June 2026

- **No changes to earnings forecasts and year-end dividend forecasts**
- For the fiscal year ending June 2026, the company aims to achieve **net sales of ¥33,300 million**(**+18.0% year-on-year**), **operating profit of ¥5,100 million**(**+10.8% year-on-year**), **net income of ¥3,500 million**(**+1.9% year-on-year**).
- The year-end dividend is expected to be **¥32 per share** with the aim of achieving the target of a dividend on equity of 8% within the period of the medium-term management plan

Strategy execution monitoring using PBR tree diagram

- Revised target levels for PBR and PER in light of the current market valuation.
- Recognizing the significant PER gap, we are refining our growth story.



Source： FactSet

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＊ Amounts are rounded down below the display unit; percentages are rounded to one decimal place.

The information contained in this material regarding the business outlook and other forecasts and strategies etc. are forward-looking statements and are determined within the range that could normally be predicted based on the information reasonably available to the Company at the time of preparation of this material. Investors should be aware of the risks, however, that actual results may differ from the business prospects described in the material due to the occurrence of extraordinary circumstances that cannot usually be predicted or the occurrence of results that cannot usually be predicted. The Company will proactively disclose information that is considered material to investors, but investors should be advised not to make judgment based entirely on only the business prospects described in this material. This material should not be copied or transferred for any purpose without permission of the Company.

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I. Summary of Financial Results for the Nine Months of Fiscal Year June 2026

Highlights of the Nine Months FY6/26 results

- Net sales increased to ¥22,828 million (9.0% increase year-on-year) thanks to investment demand among our Japanese corporate clients for maintaining and strengthening competitiveness through "upgrading corporate management and business activities using data and digital technologies"-a medium- to long-term trend-has moderated somewhat following the completion of basic IT infrastructure upgrades but remains solid overall. The Consolidated Financial Disclosure Business and DX Promotion Business continuing to achieve strong sales growth.

- Operating profit was ¥4,072 million (12.3% increase year-on-year), despite increases in personnel, hiring and IT expenses in line with business expansion, office expenses associated with office relocation and expansion, and investment expenses to achieve future growth centered on strengthening the software business, profits increased due to improved profit margins from growth in the software business and a decrease in outsourced processing expenses to supplement inhouse resources.

(millions of yen)	FY6/26 Q3	YoY Variance		FY6/26 YTD	YoY Variance	
		Yr earlier	% chg		Yr earlier	% chg
Net Sales	7,625	6,927	10.1%	22,828	20,938	9.0%
Cost of Sales	4,180	3,938	6.1%	12,542	11,630	7.8%
Gross Profit	3,445	2,988	15.3%	10,285	9,308	10.5%
GPM	45.2%	43.1%	2.0pt	45.1%	44.5%	0.6pt
SG&A	2,118	1,900	11.5%	6,213	5,682	9.3%
Operating Profit	1,326	1,088	22.0%	4,072	3,625	12.3%
OPM	17.4%	15.7%	1.7pt	17.8%	17.3%	0.5pt
Net Income	797	685	16.3%	2,542	2,270	12.0%
NPM	10.5%	9.9%	0.6pt	11.1%	10.8%	0.3pt
EBITDA	1,404	1,213	15.8%	4,396	3,996	10.0%
EBITDA margin	18.4%	17.5%	0.9pt	19.3%	19.1%	0.2pt

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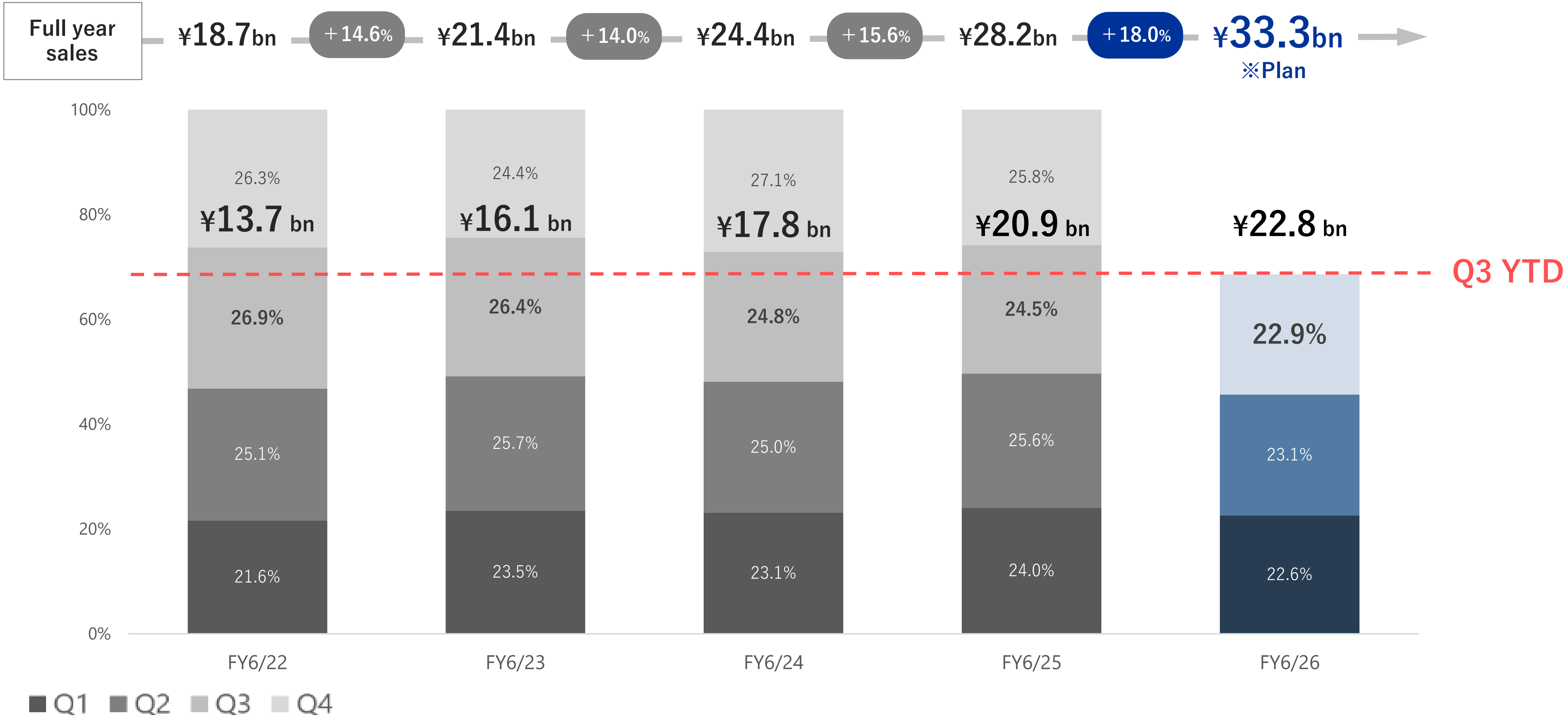
Progress made in the full-year sales forecast

■ FY6/26 nine months sales progressed at 68.5% of full-year sales, representing a lag compared to the historical trend of the last four years.



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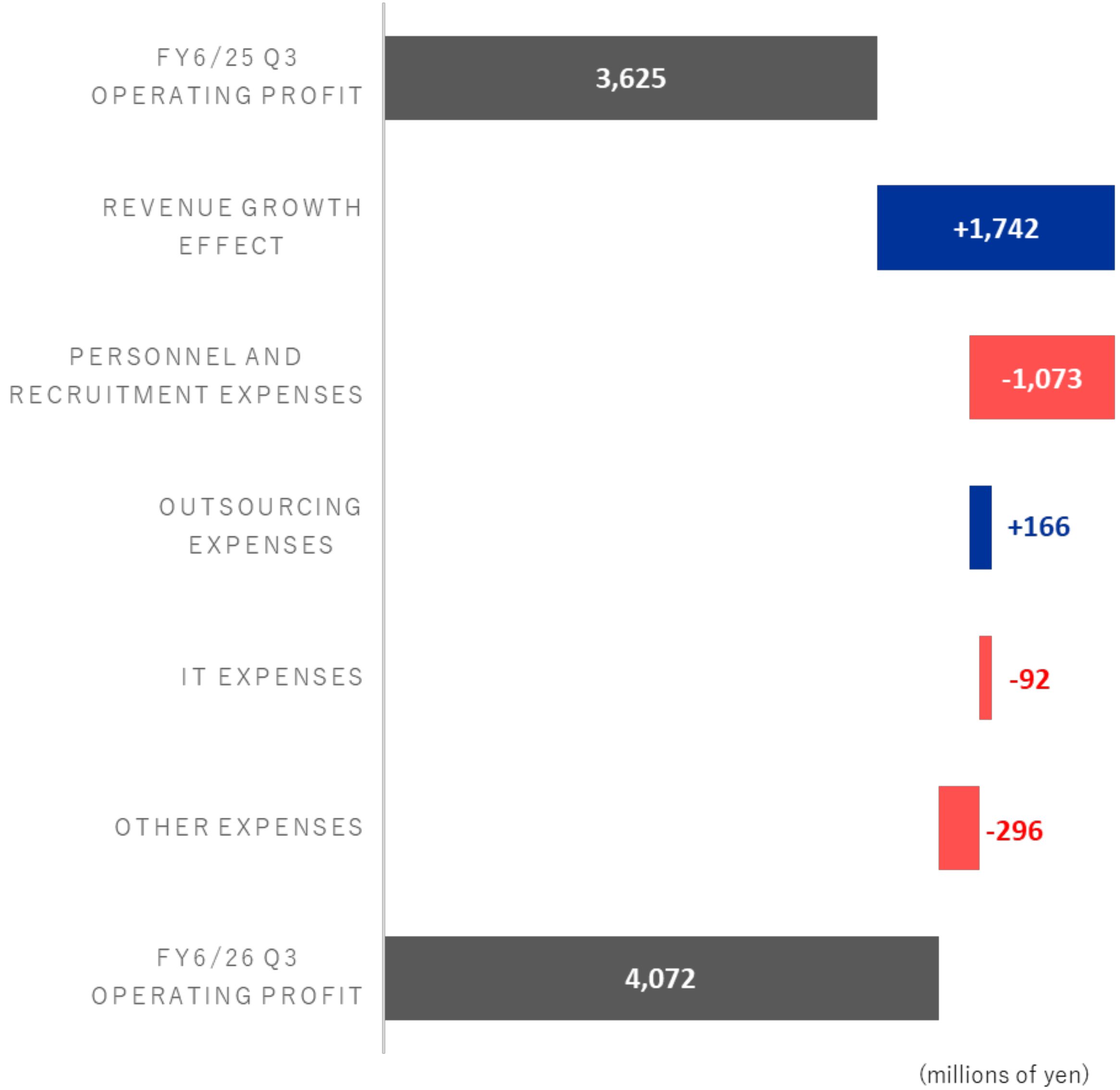
FY6/26 Q3 operating profit bridge (year-on-year)



Personnel and recruitment expenses

Active recruitment initiatives to achieve sustainable growth resulted in higher personnel and hiring expenses, remaining within the scope of overall revenue growth.

Outsourcing expenses

Due to progress in shifting from external resources to in-house capabilities through employee development, outsourcing expenses decreased significantly in the DX promotion business while remaining flat in other segments. As a result, overall outsourcing costs saw a slight decrease.

IT expenses

Increase due to headcount growth in line with business expansion and the transition to cloud environments, both for customers and internal systems.

Other expenses

Increases in office expenses associated with office expansion, as well as investment and related costs to strengthen the software business and drive future growth.

Cash flow trends

- The main sources of operating CF were profit before income taxes of ¥3,975 million and depreciation of ¥324 million. The main uses were a decrease of ¥577 million in provision for bonuses, an increase of ¥268 million in trade receivables and contract assets, a decrease of ¥777 million in contract liabilities, and ¥1,565 million in income taxes paid.

- The main expenditures of investment CF were purchases of property, plant and equipment of ¥243 million and purchases of investment securities of ¥130 million, and ¥420 million for purchase of shares of subsidiaries and affiliates.

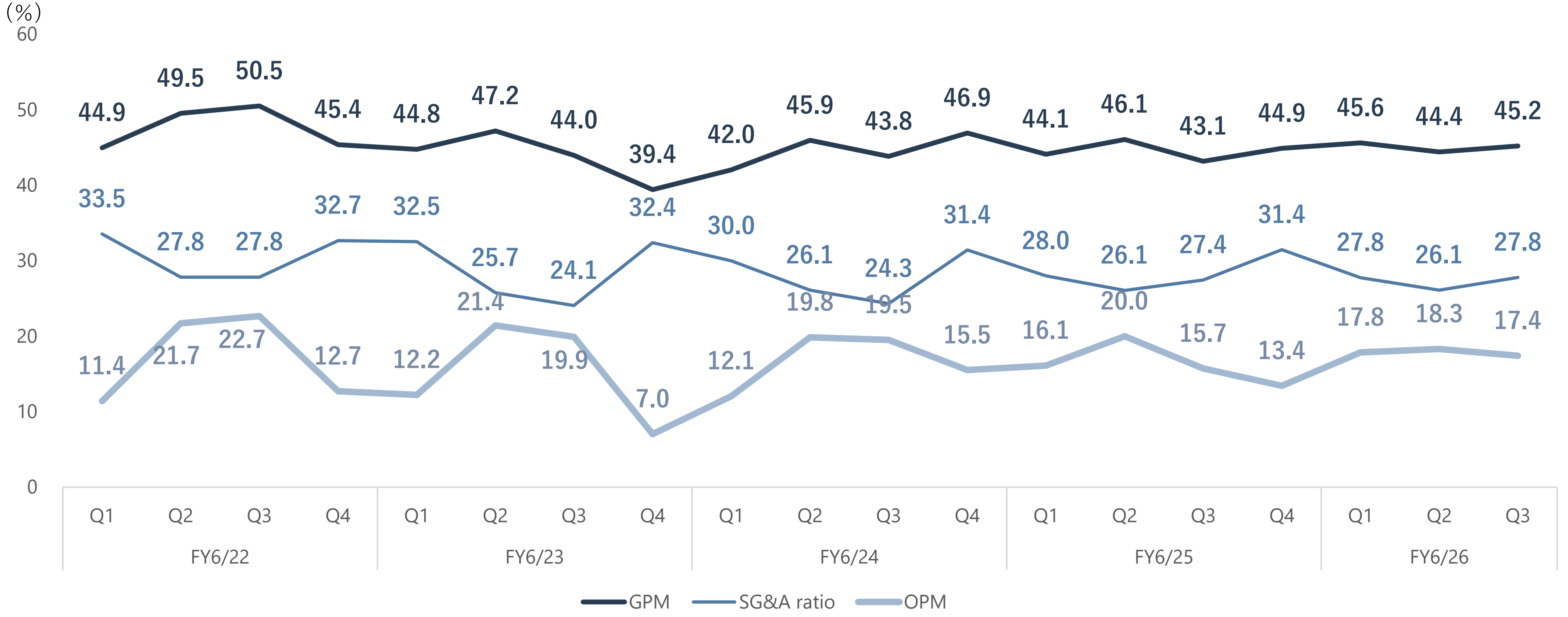
- The main cash outflows of financial CF were ¥3,001 million for purchase of treasury shares and ¥930 million for dividends paid.

(millions of yen)	FY6/26 Q3	YoY Variance		FY6/26 YTD	YoY Variance	
		Yr earlier	chg		Yr earlier	chg
Operating CF	595	975	(379)	1,148	1,827	(678)
Investment CF	(321)	(102)	(218)	(990)	(288)	(702)
Free CF	274	872	(597)	158	1,538	(1,380)
Financial CF	(2,782)	(4)	(2,778)	(4,011)	(1,056)	(2,955)

Quarterly margin trends

- Profit margins remained stable this period and gross profit margin was 45.2%, relatively high for Q3, driven by reduced outsourcing costs in the DX promotion business, while operating profit margin stood at 17.4%.

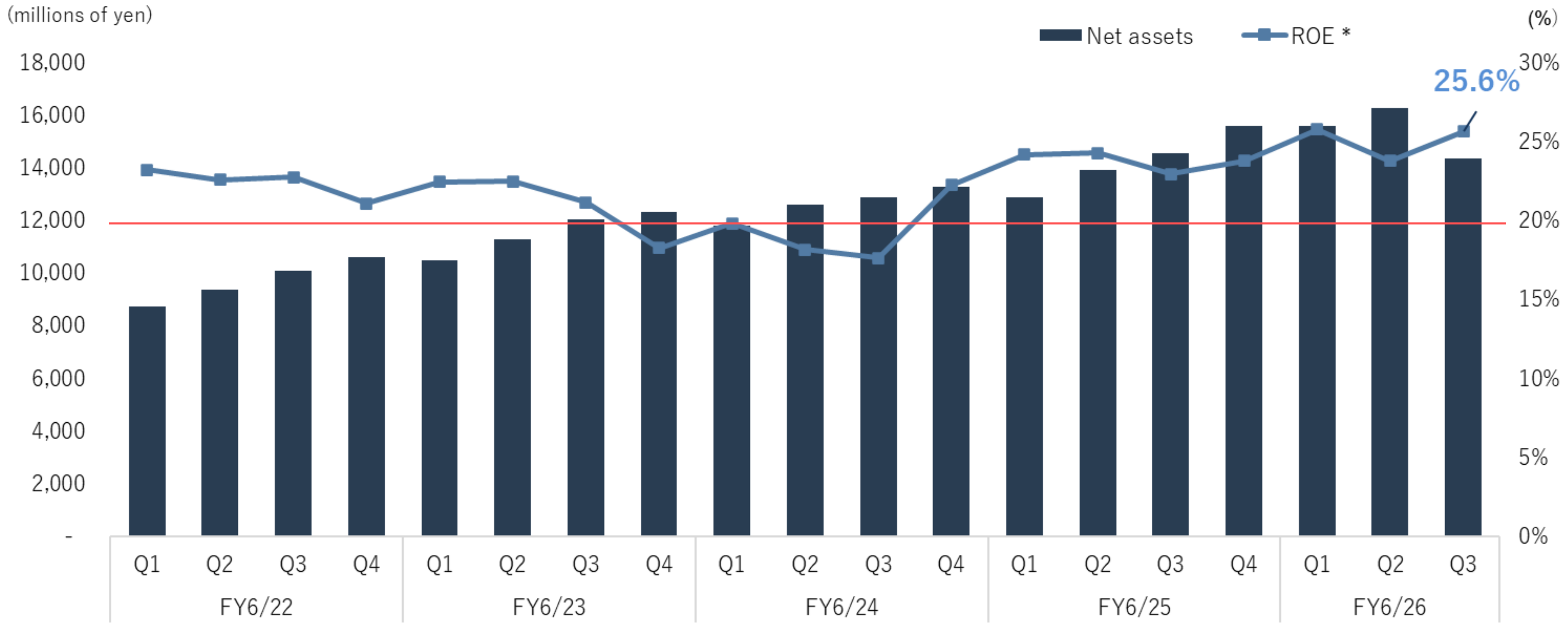
- The SG&A-to-sales ratio is on a gradual but stable downward trend. While gross profit margins are also improving—driven by lower outsourcing costs and operational efficiencies—we see some temporary volatility. Our goal is to establish a framework to stabilize and accelerate this upward trend.



Effective from the beginning of the first quarter of FY6/22, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied.

ROE trends

- While ROE* increased due to a lower net assets, we continue to maintain a high level of over 20%.
- We aim to maintain an average of 20% or more by adhering to the Group's management principles, further enhancing profitability, and managing assets more efficiently.



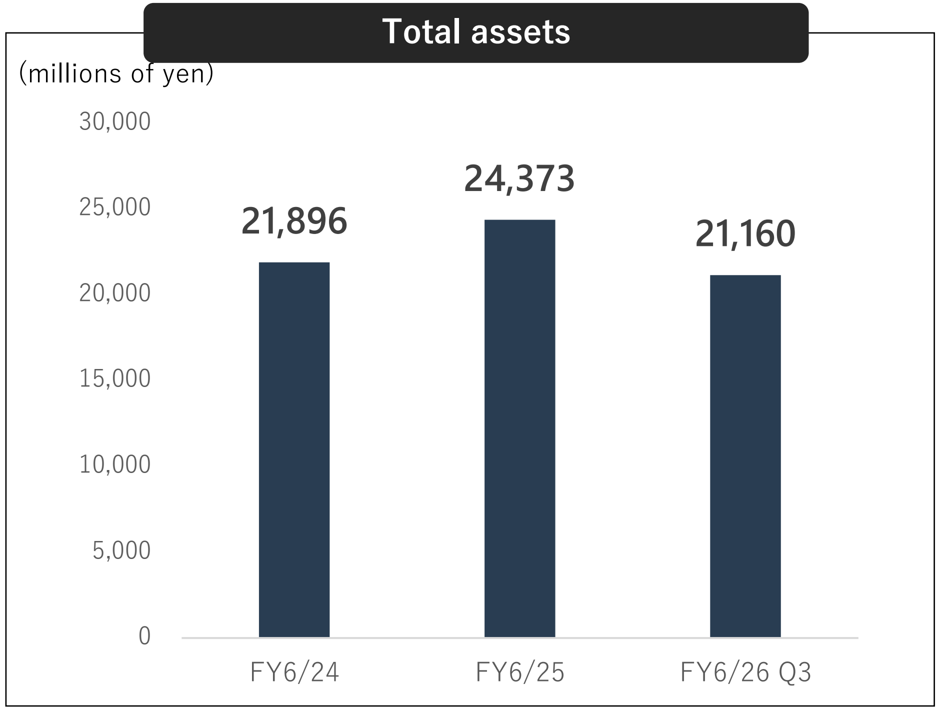
※Figures are calculated based on the past four quarters.
Effective from the beginning of the first quarter of FY6/22, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied.

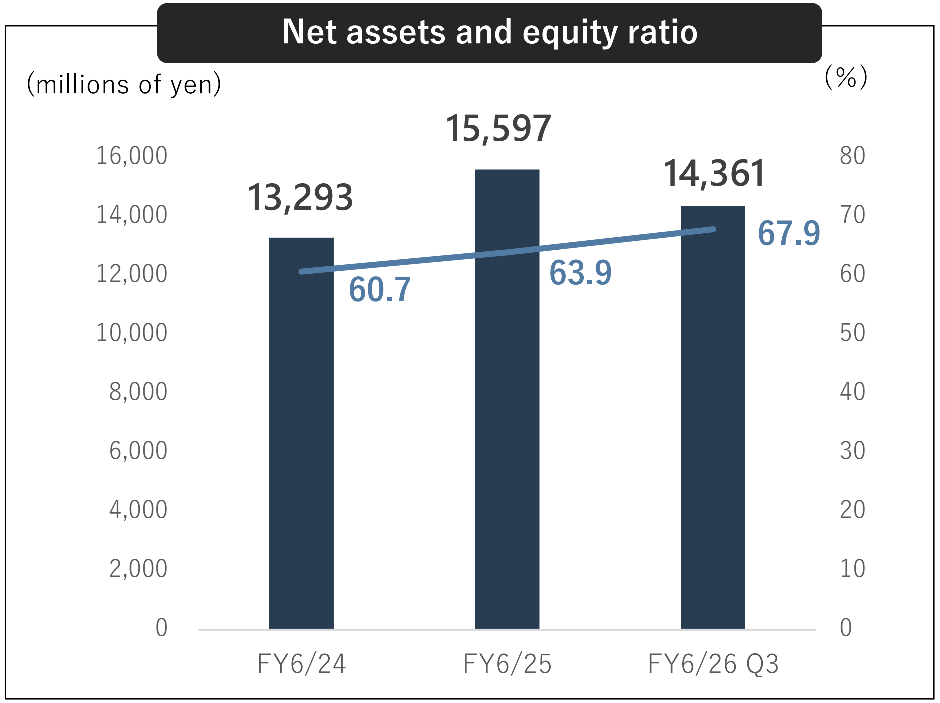
Financial position trends

- Total assets at the third quarter-end were ¥21,160 million (¥3,212 million decrease from the end of the previous consolidated fiscal year), mainly due to a decrease of ¥4,043 million in cash and deposits, an increase of ¥268 million in notes and accounts receivable - trade and contract assets, an increase of ¥101 million in investment securities, and an increase of ¥409 million in shares of subsidiaries and affiliates.

- Total net assets amounted to ¥14,361 million (¥1,235 million decrease from the end of the previous consolidated fiscal year), mainly due to net income attributable to owners of parent of ¥2,542 million for the quarterly period, purchase of treasury shares of ¥3,001 million and payment of dividends of surplus of ¥930 million.

- As a result, the equity ratio was 67.9%, maintaining a highly stable financial balance.





Earnings forecast for the fiscal year ending June 30, 2026

- For the fiscal year ending June 2026, net sales are expected to increase by 18.0% year-on-year to ¥ 33,300 million.

- Operating profit is expected to increase by 10.8% year-on-year to ¥5,100 million, and net income is expected to increase by 1.9% year-on-year to ¥3,500 million.

(millions of yen)	FY6/25 (Actual)	FY6/26 (Forecast)	Variance	% Chg
Net Sales	28,227	33,300	5,072	18.0%
Operating Profit	4,604	5,100	495	10.8%
OPM	16.3%	15.3%	-	-
Net Income	3,434	3,500	65	1.9%

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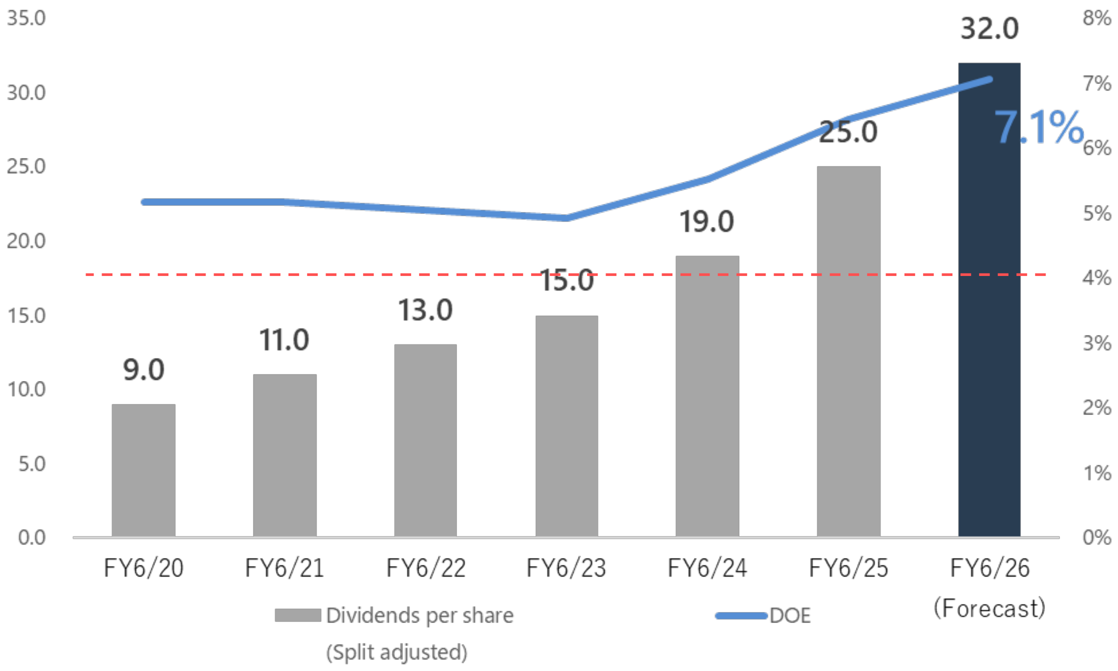
Shareholder returns

- DOE for the fiscal year ending June 2025 was 6.3%, well above the TSE-listed company average (12 months) of 3.4%.

- Dividend per share for the fiscal year ending June 2026 is expected to be ¥32 yen per share, in line with the company's policy of continuing to pay stable dividends(In principle, the dividend per share will not fall below the previous fiscal year’s level.) DOE level to be 7.1%.



Our shareholder return policy

- Dividends are an important part of our shareholder return policy
- Avant Group aims to maintain if not grow the dividend by focusing on indicators such as dividend on equity (DOE) which is less impacted by fluctuations in annual earnings
- The Company’s DOE will always exceed the average of all companies listed on the Tokyo Stock Exchange and will aim to achieve 8% within the period of the new medium-term management plan

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Ⅱ. Earnings Power and Cash Generation

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Change in business segment classification

- The business segments have been reorganized so that each of the three core group companies—DIVA Corporation, ZEAL Corporation, and AVANT Corporation—constitutes a single segment, while all other subsidiaries are grouped under the “Other” segment, providing a clearer reflection of the management approach.

Business Segment	～FY6/25	From FY6/26～
Consolidated Financial Disclosure Business	DIVA / 株式会社 インターネットディスクロージャー Internet Disclosure Co.,Ltd.	DIVA
Digital Transformation Promotion Business	ZEAL	ZEAL
Management Solutions Business	AVANT / VISTA	AVANT
Other		VISTA / 株式会社 インターネットディスクロージャー Internet Disclosure Co.,Ltd.

Results by business segment (sales, OP, OP margin)

- Net sales in the Consolidated Financial Disclosure Business increased, driven by the continued high growth of the outsourcing business and the transfer of certain maintenance service transactions from the Management Solutions Business starting this period. Despite cost increases, operating profit growth significantly outpaced sales growth, resulting from a decrease in hiring expenses and the effects of improved productivity due to the promotion of cloud migration in the software business, despite factors that increased costs.

- In the DX Promotion Business, while demand has moderated somewhat as client needs have become more sophisticated, demand for leveraging data in management and business decision-making remains solid. An increase in projects drove sales growth. Although personnel expenses rose due to headcount increases to support sales growth, and temporary and ongoing office expenses increased due to an office relocation, outsourcing costs declined. Coupled with a rebound effect from the lower profitability caused by the cancellation of a large project in the same period last year, operating profit increased considerably.

- In the Management Solutions Business, although software sales increased, overall revenue declined due to the impact of the transfer of maintenance services (Q3: approx. ¥85 million; Q3 YTD: approx. ¥252 million) mentioned above. Operating profit also decreased due to higher personnel expenses, increased development, marketing, and outsourcing costs aimed at strengthening the software business.

	(millions of yen)	FY6/26 Q3	YoY Variance		FY6/26 YTD	YoY Variance	
			Yr earlier	% chg		Yr earlier	% chg
Consolidated Financial Disclosure Business	Net Sales	2,422	2,102	15.2%	7,141	6,141	16.3%
	Operating Profit	769	587	30.9%	2,305	1,663	38.6%
	OPM	31.8%	28.0%	3.8pt	32.3%	27.1%	5.2pt
Digital Transformation Promotion Business	Net Sales	2,772	2,603	6.5%	8,457	7,729	9.4%
	Operating Profit	466	364	27.8%	1,580	1,312	20.4%
	OPM	16.8%	14.0%	2.8pt	18.7%	17.0%	1.7pt
Management Solutions Business	Net Sales	2,395	2,199	8.9%	7,139	7,016	1.8%
	Operating Profit	407	363	12.2%	947	1,316	(28.1%)
	OPM	17.0%	16.5%	0.5pt	13.3%	18.8%	(5.5pt)
Other	Net Sales	121	106	13.8%	365	315	15.8%
	Operating Profit	4	21	(77.0%)	57	69	(17.1%)
	OPM	4.0%	19.8%	(15.8pt)	15.8%	22.1%	(6.3pt)

Results by business segment (orders)

- Partly due to the transfer of certain maintenance services from the Management Solutions Business, the Consolidated Financial Disclosure Business continued to see a high year-on-year growth rate.
- The DX Promotion Business continues to show growth in both orders received and order backlog.
- The Management Solutions Business recorded a year-on-year decline in order backlog, reflecting the impact of this service transfer.

	(millions of yen)	FY6/26 Q3	YoY Variance		FY6/26 YTD	YoY Variance	
			Yr earlier	% chg		Yr earlier	% chg
Consolidated Financial Disclosure Business	Orders	2,698	2,190	23.2%	7,724	6,410	20.5%
	Order Backlog	5,573	4,783	16.5%	5,573	4,783	16.5%
Digital Transformation Promotion Business	Orders	2,671	2,382	12.1%	8,534	7,358	16.0%
	Order Backlog	2,089	1,698	23.0%	2,089	1,698	23.0%
Management Solutions Business	Orders	2,422	1,968	23.1%	6,776	6,347	6.8%
	Order Backlog	2,808	3,332	(15.7%)	2,808	3,332	(15.7%)
Other	Orders	106	95	11.6%	315	278	13.2%
	Order Backlog	149	134	10.7%	149	134	10.7%

Ⅲ. Initiatives to Improve Capital Efficiency

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Measures to improve the price-to-book ratio (PBR)

Improvement of ROE (return on equity)

- Target of an average of 20% or more during the period of the medium-term management plan
- Targets achieved in the past two fiscal years
- Increase in net income → Net assets (book value) also increased

$$\frac{\textbf{Net income}}{\textbf{Net assets (Book value)}}$$

- Shareholder returns to enhance capital efficiency (Optimizing net assets)

  ✓Share buyback

  (November 28, 2025 - March 31, 2026: 1,967,000 shares for ¥3,001,836,369)

  (of which, cancelled shares: 1,636,300 shares)

  ✓ Increase in dividends

Measures to improve the price-to-book ratio (PBR)

Improvement of PER (price-to-earnings ratio)

- Revised target to achieve 30 times during the period of the medium-term management plan
- The multiple was 16.9x at the end of FY6/25, 13.75x in Q1 FY6/26, 16.52x in Q2, and 14.10x in Q3
- To enhance both growth and profitability of the business;
  In other words, it is necessary to raise **the ability to earn sustainably**
- Strengthen earning power by investing in existing businesses
- To dramatically improve our ability to earn from the outside into the future, incorporate companies and businesses into the Group through M&A and other means
- Increase investor recognition as a company that can earn sustainably

Update on our capital allocation plan

- Increase shareholder returns as a means of temporarily reducing net assets
- Consider borrowing as necessary to secure investment for growth

Even as we increase shareholder return allocation, we will secure and expand our growth investment capacity through borrowings

Cash Inflows

Cumulative operating cash flow forecast (Before internal investment deductions)
¥19.3 billion

Excess cash and deposits at the end of FY23
¥7.2 billion

Cash Outflows

(Original plan was growth Investments of ¥20 billion and shareholder returns of ¥5 billion)

Additional shareholder returns
¥ 1.5 billion or more

- Increase in capital allocation for dividends and share buybacks (Started on November 28, 2025)
- Further increases depending on cash inflows and the use of growth investments

Capital investments (M&A and minor investments)
Up to
¥15.0 billion

- Actions to realize M&A that are expected to generate software gross profit of ¥2.5 billion
- Positioned as a steppingstone for the future, we will make 2–3 startup investments per year, amounting to a total of ¥1.5 billion (about ¥0.8 million including Beyond Square).

Internal investments
= Human capital investments
¥4.5 billion or more

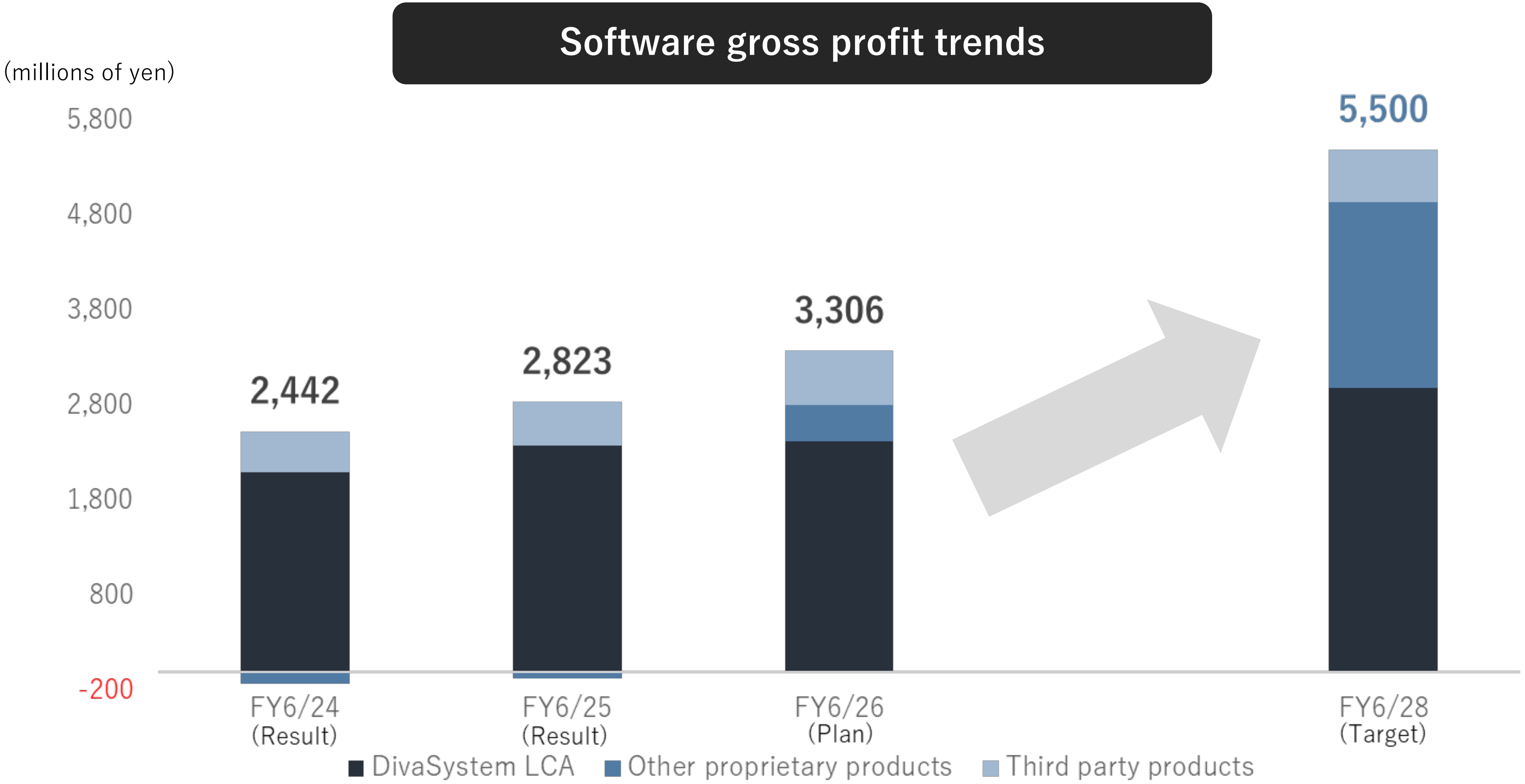
- Hiring talent to strengthen sales and development capabilities
- Research and development investment
- Marketing investments, etc.

Shareholder returns (FY6/24-28)
¥5 billion

Ⅳ. Growth Strategy and Future Developments

Progress in software gross profit

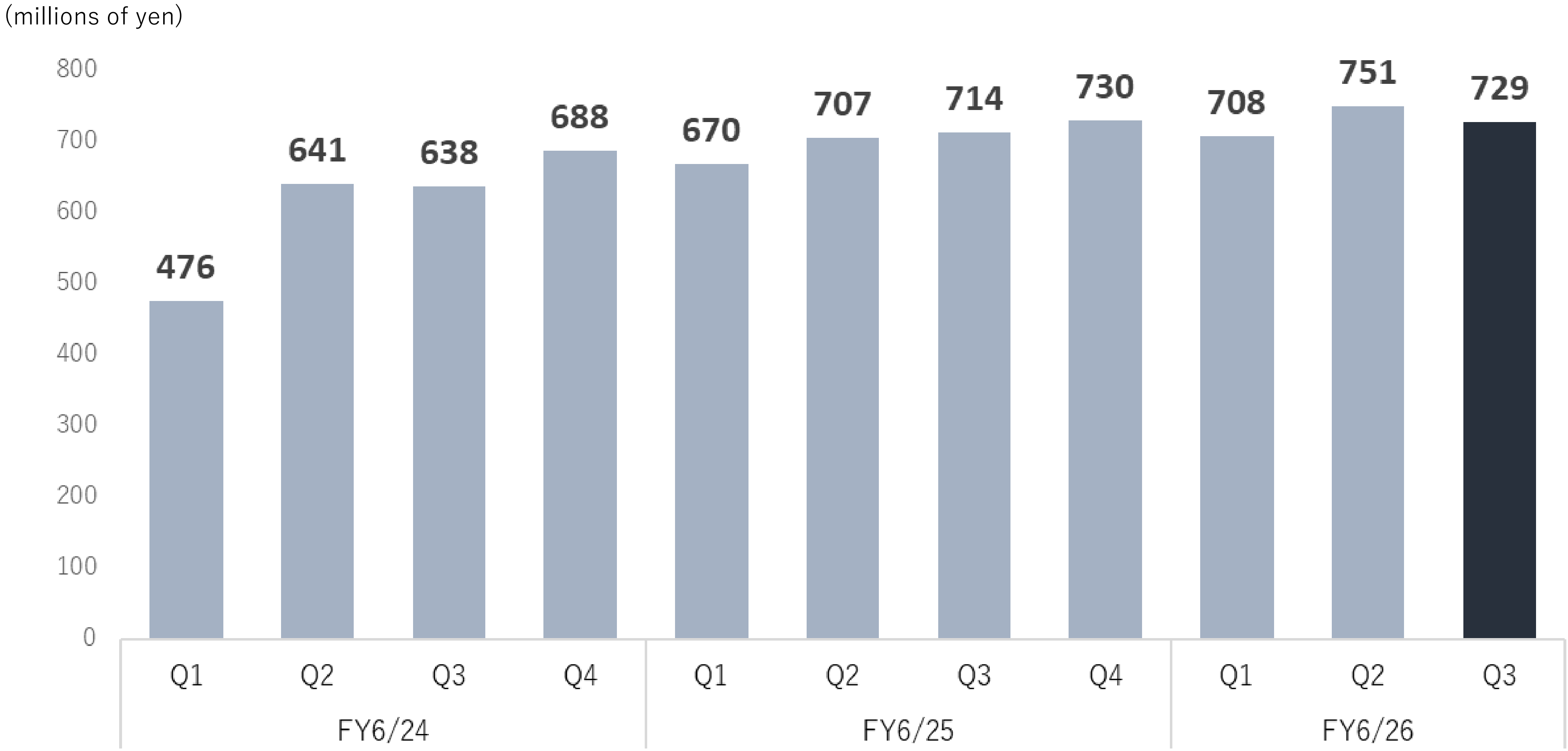
- In addition to the stable growth of DivaSystem LCA, our founding product in consolidated accounting, we are steadily driving progress toward our targets through the proactive market expansion of our broader proprietary product portfolio.



Software gross profit

- While software sales performed steadily and margins for other proprietary products improved, lower margins in DivaSystem LCA led to a 3% decline QoQ (a slight 2.1% increase YoY).

- As sales growth in proprietary products is the key driver to achieving ¥5.5 billion in software gross profit, we will execute additional investments to support this expansion.



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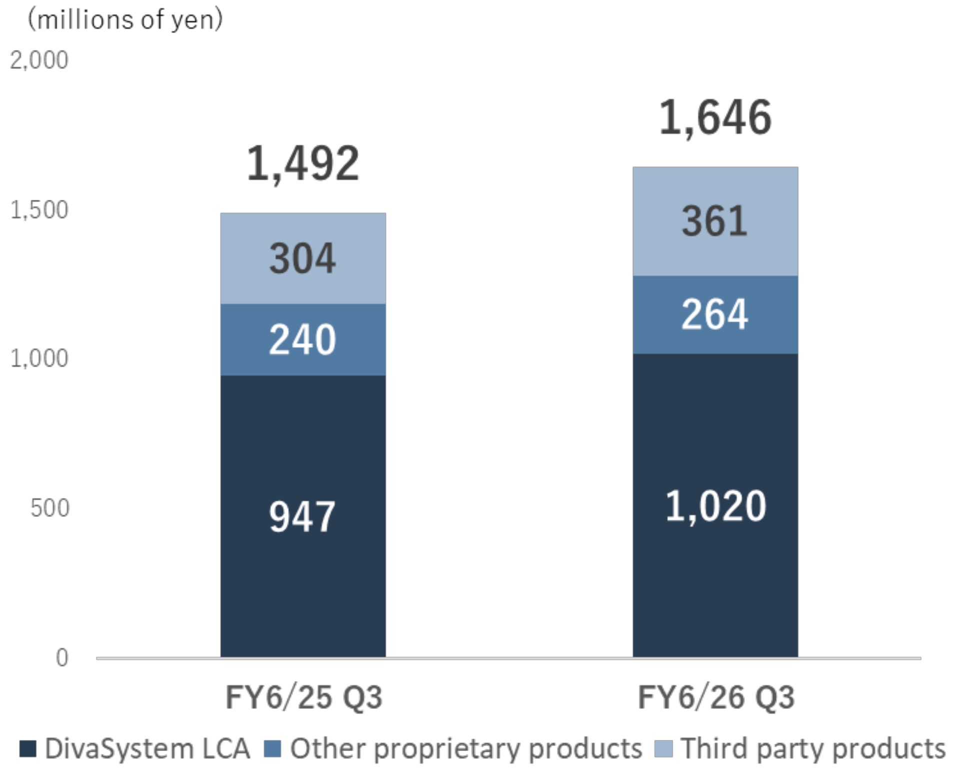
Progress in software sales and software gross profit (details)

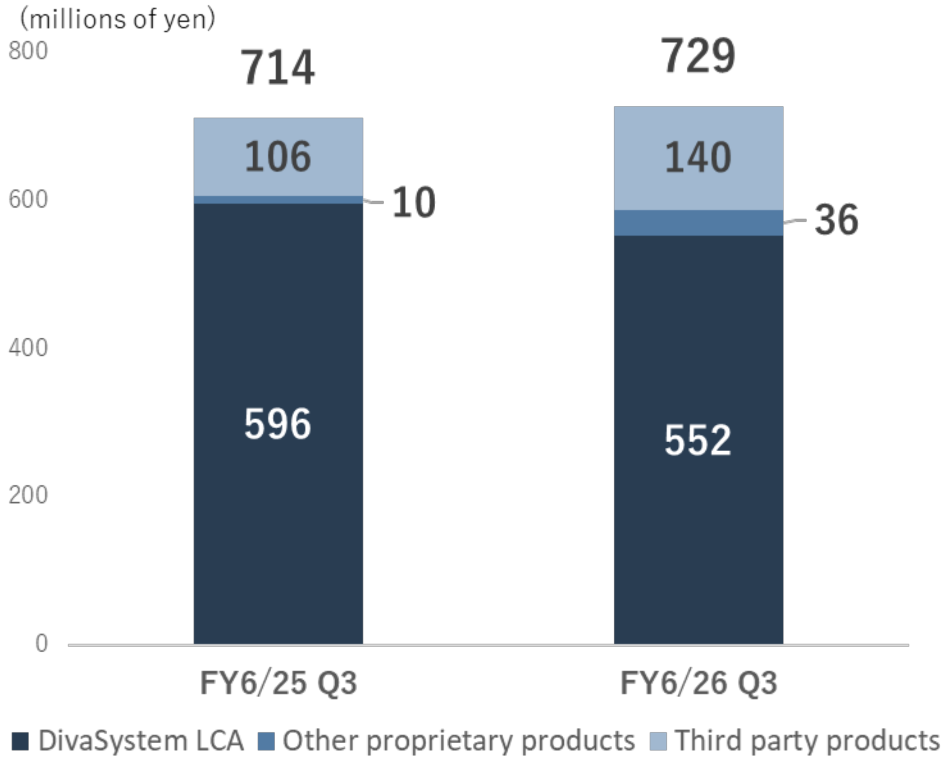
- While gross profit for other proprietary products grew significantly YoY due to the end of Avant Chart's amortization, DivaSystem LCA saw only a slight revenue increase due to lower license sales, and a slight profit decline impacted by temporary outsourcing costs in the Consolidated Financial Disclosure business.

- Accelerate and scale the revenue growth of other proprietary products to enhance overall profitability.

Software sales

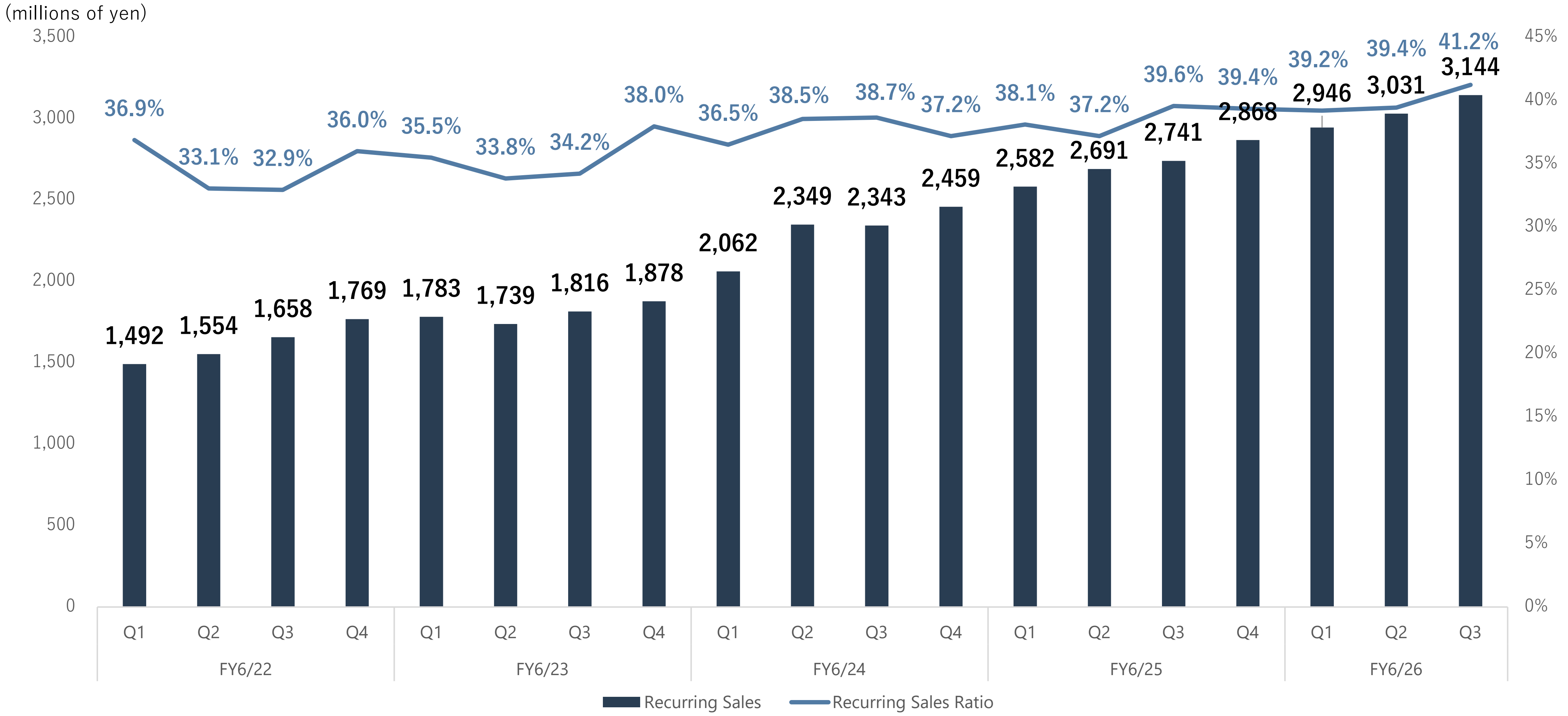


Software gross profit



Quarterly recurring sales and recurring sales ratio

- The recurring sales ratio has trended stably and surpassed 40% for the first time this period. Recurring sales continues to show a gradual but solid increase in absolute terms.



Effective from the beginning of the first quarter of FY6/22, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied.

Other Reference Data

Group cost structure

- An increase in personnel and recruitment expenses associated with business expansion, office-related costs due to the expansion of office space, and investment-related expenses aimed at achieving future growth, primarily through the strengthening of the software business.
- Due to progress in shifting from external resources to in-house capabilities through employee development, outsourcing expenses decreased year-on-year for both the nine months and Q3 alone.

(millions of yen)	FY6/26 Q3	YoY Variance		FY6/26 YTD	YoY Variance	
		Yr earlier	% chg		Yr earlier	% chg
Net Sales	7,625	6,927	10.1%	22,828	20,938	9.0%
Personnel expenses	3,573	3,236	10.4%	10,753	9,708	10.8%
Recruitment expenses	185	178	4.2%	495	467	6.0%
Outsourcing expenses	1,117	1,231	(9.2%)	3,462	3,628	(4.6%)
IT expenses	422	395	6.9%	1,241	1,148	8.0%
Office expenses	289	248	16.2%	813	714	13.9%
Other expenses	710	549	29.4%	1,989	1,645	20.9%
Total expenses	6,298	5,839	7.9%	18,755	17,312	8.3%
Operating Profit	1,326	1,088	22.0%	4,072	3,625	12.3%
OPM	17.4%	15.7%	1.7pt	17.8%	17.3%	0.5pt

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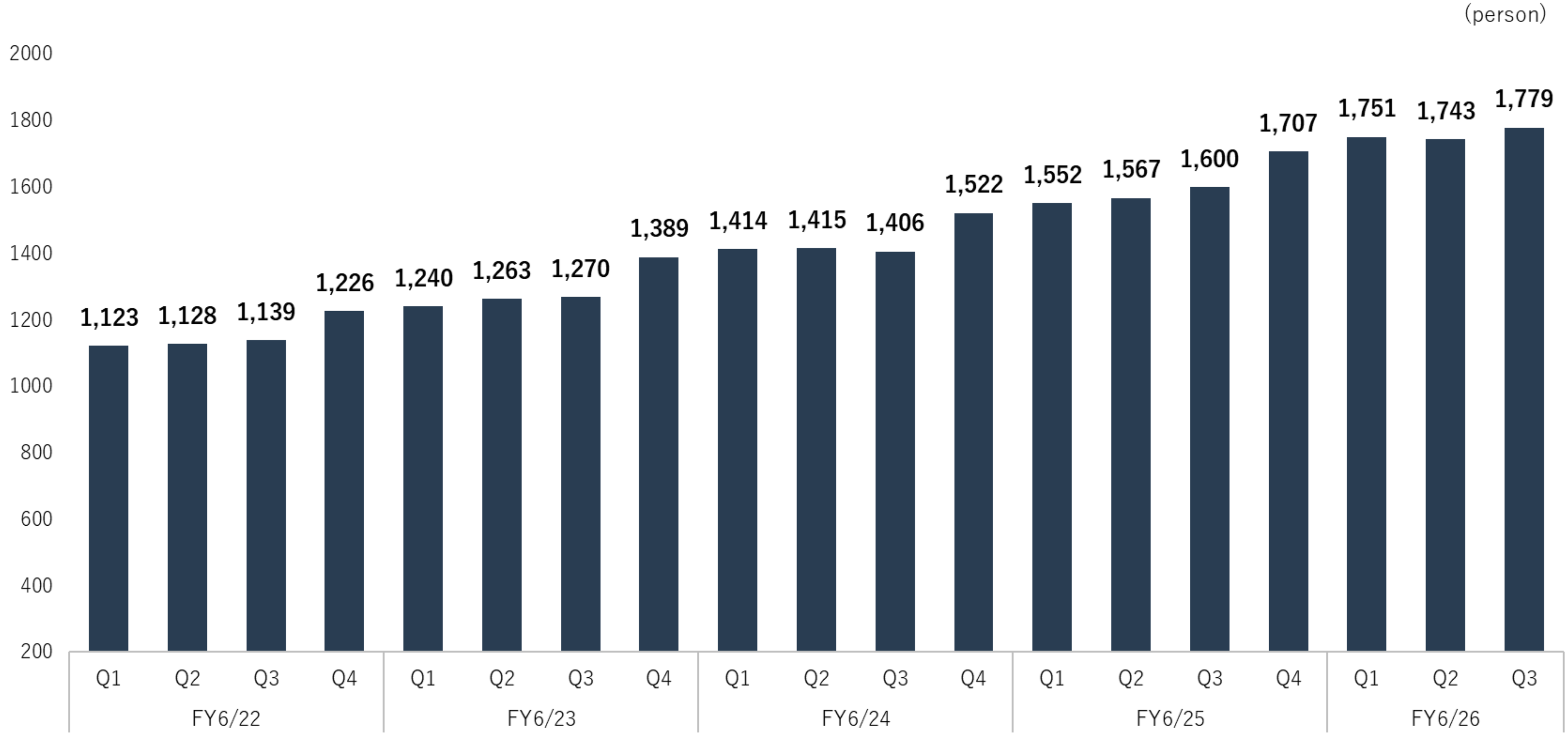
Number of group employees

■ Headcount continues to trend upwards to achieve sustainable growth.



Reference : Company Overview

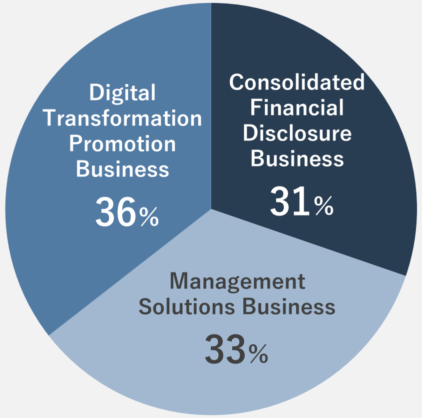
Company introduction

Name： AVANT GROUP CORPORATION
Inception： May 26, 1997
Representative： Tetsuji Morikawa, Founder, Chairman & Group CEO
Market cap： Approximately ¥57.8 billion （TSE Prime, 3836, End of June 2025）

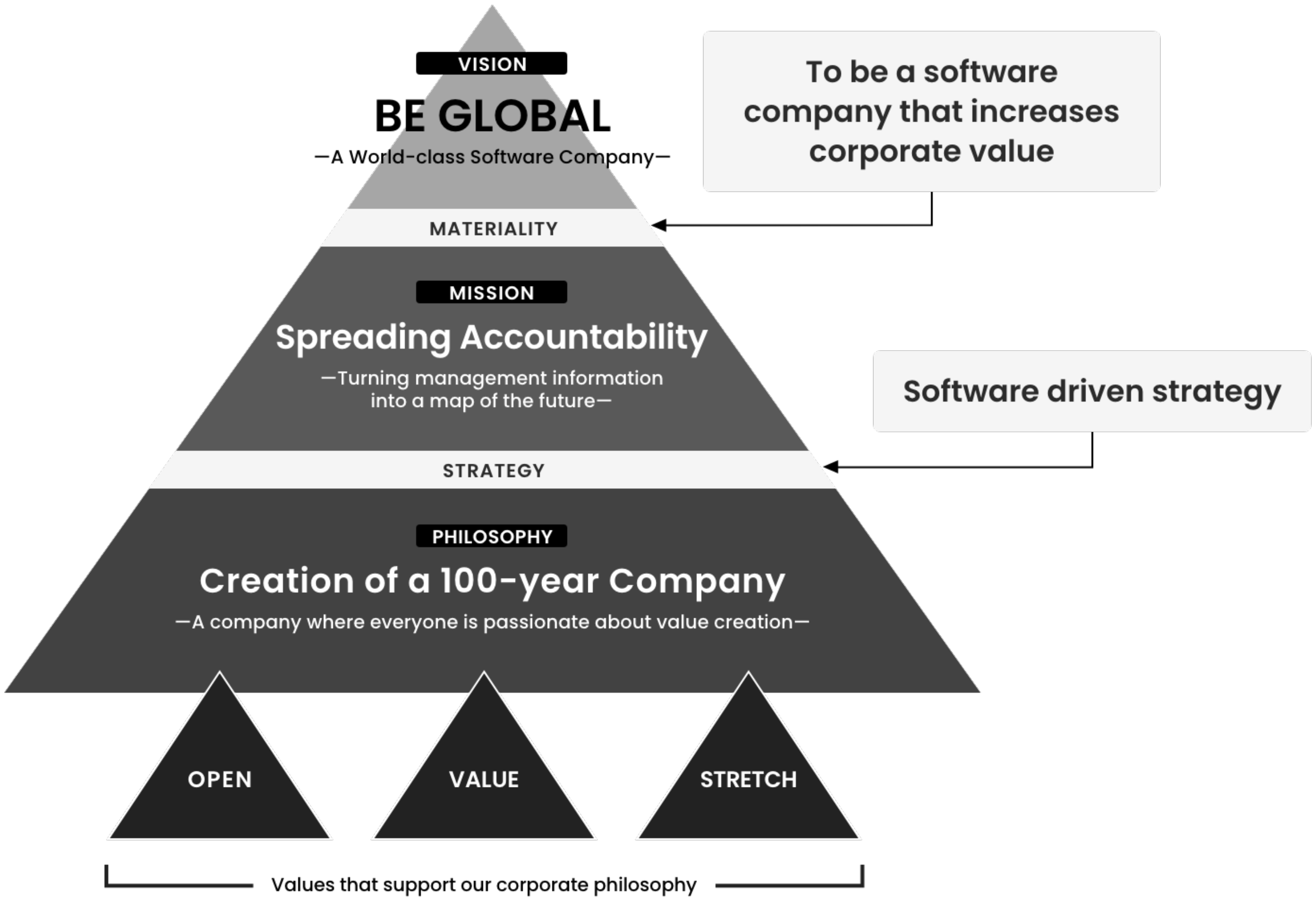
Major Software	Group Companies	Segment Information
DivaSystem LCA TRINITY BOARD	DIVA	**【Consolidated Financial Disclosure Business】** In addition to development of the consolidated accounting system "DivaSystem LCA" and its maintenance, we are engaged in outsourcing business such as consolidated and non-consolidated financial settlement operations using the software to comprehensively support the corporate value creation process through information disclosure. We aim to establish a business model that integrates software business and outsourcing business.
AVANT Chart AVANT Cruise AVANT Compass Powered by NOMURA Third party	AVANT	**【Management Solutions Business】** With group business management, consolidated accounting, and business management as the pillars, we provide one-stop support for customers' "visualization and maximization of invisible corporate value" from consulting to system planning, construction, introduction, operation and maintenance. We also provide system development and implementation support that combines software developed by other companies with our own products. By making the most of our assets, the segment continuously creates solutions to provide management information that helps improve corporate value. Additionally,
ZEUSCloud ZEAL DX Learning Room CO-ODE STORYAI.	ZEAL VISTA	**【Digital Transformation Promotion Business】** We support the promotion of digital transformation and data-driven management of companies by providing AI and BI solutions that analyze, predict, and visualize data from data platforms that organize and integrate internal and external data through consulting and system development. By acquiring the latest methods for utilizing data, from multi-cloud compatible software provided by major cloud vendors to cutting-edge technologies such as generative AI, We aim to foster the development of engineers, advance in-house development of data utilization infrastructure products, and expand the product offerings of our group.
開示Net Internet Disclosure Co., Ltd. erules net internet disclosure	株式会社 インターネットディスクロージャー Internet Disclosure Co.,Ltd	**【Other】** This segment includes information search service for disclosure documents provided by Internet Disclosure Co.,Ltd, and VISTA Corp that offers management consulting services tailored to the positioning of individual companies in the stock market.

Percentage of sales for each segment FY6/25

Net sales ¥28.2 b



Avant Group Philosophy



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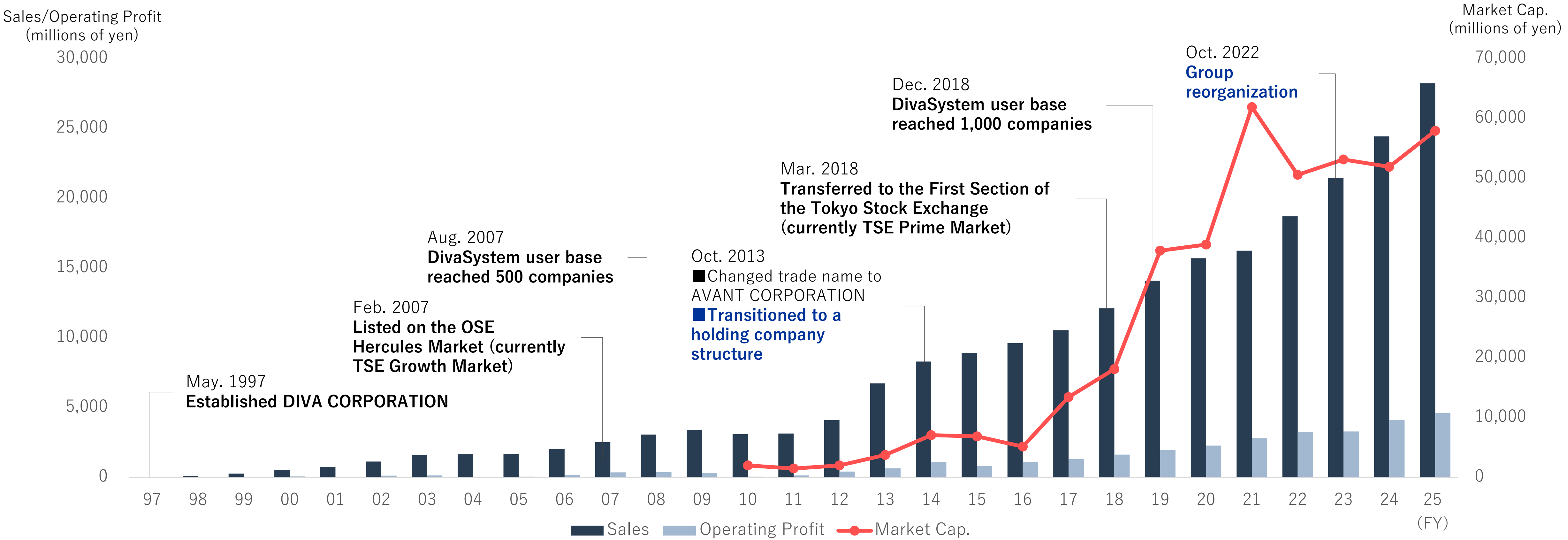
Avant Group advances to the next five years to achieve BE GLOBAL

Government-led initiatives

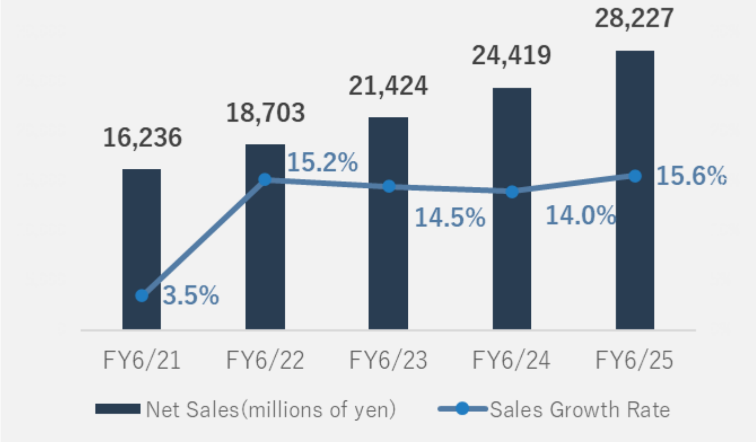
- **FY Mar. 2000~** Reporting in consolidated accounting
- **Apr. 2003～** Mandatory quarterly reporting
- **Apr. 2008～** Introduction of Internal Control Reporting System (J-SOX)
- **FY Mar. 2010～** Voluntary Application of Disclosure under IFRS
- **Jun. 2015～** Corporate Governance Code
- **Sep. 2019～** Group Governance Practice Guidelines
- **Mar. 2023～** Request from TSE for 'Action to achieve cost of capital and share price conscious management'

Established the top share in Japan in the consolidated accounting business | **Introduction of holding company structure and expansion of group management** | **BE GLOBAL**

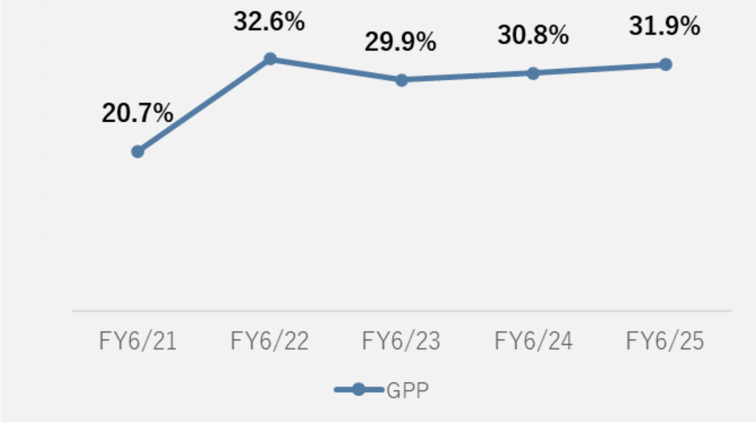


Numerical summary

Net Sales／Sales Growth Rate

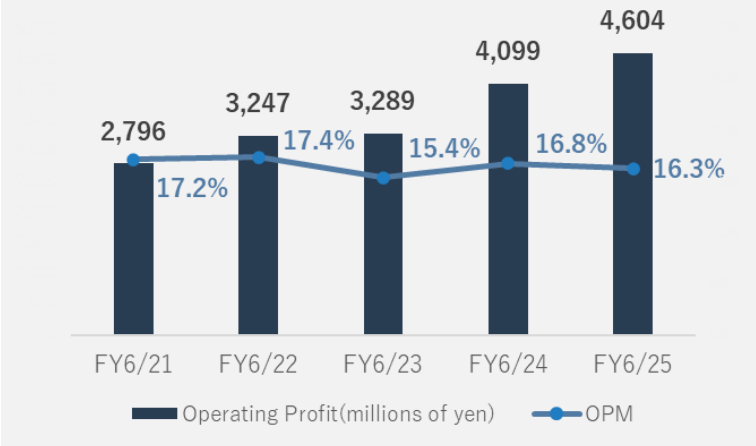


GPP（Sales Growth Rate＋OPM）

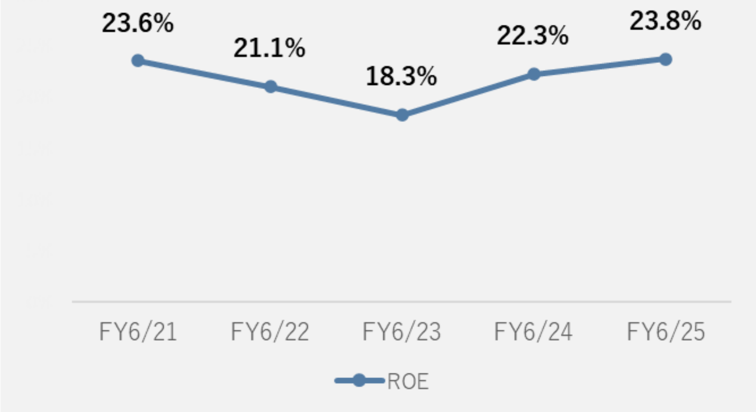


Number of employees

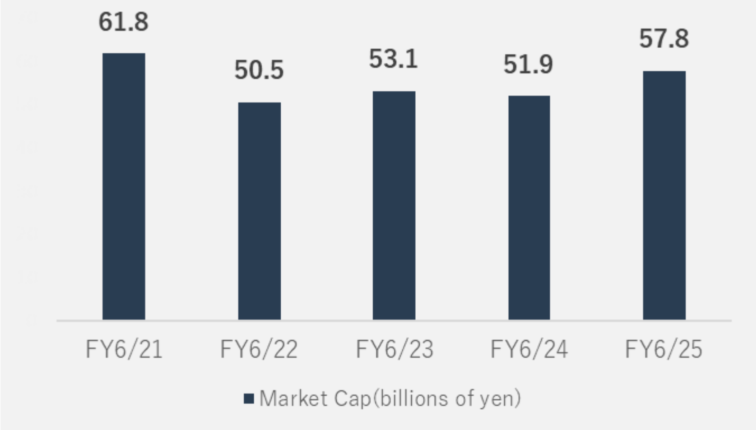
Operating Profit／OPM



ROE



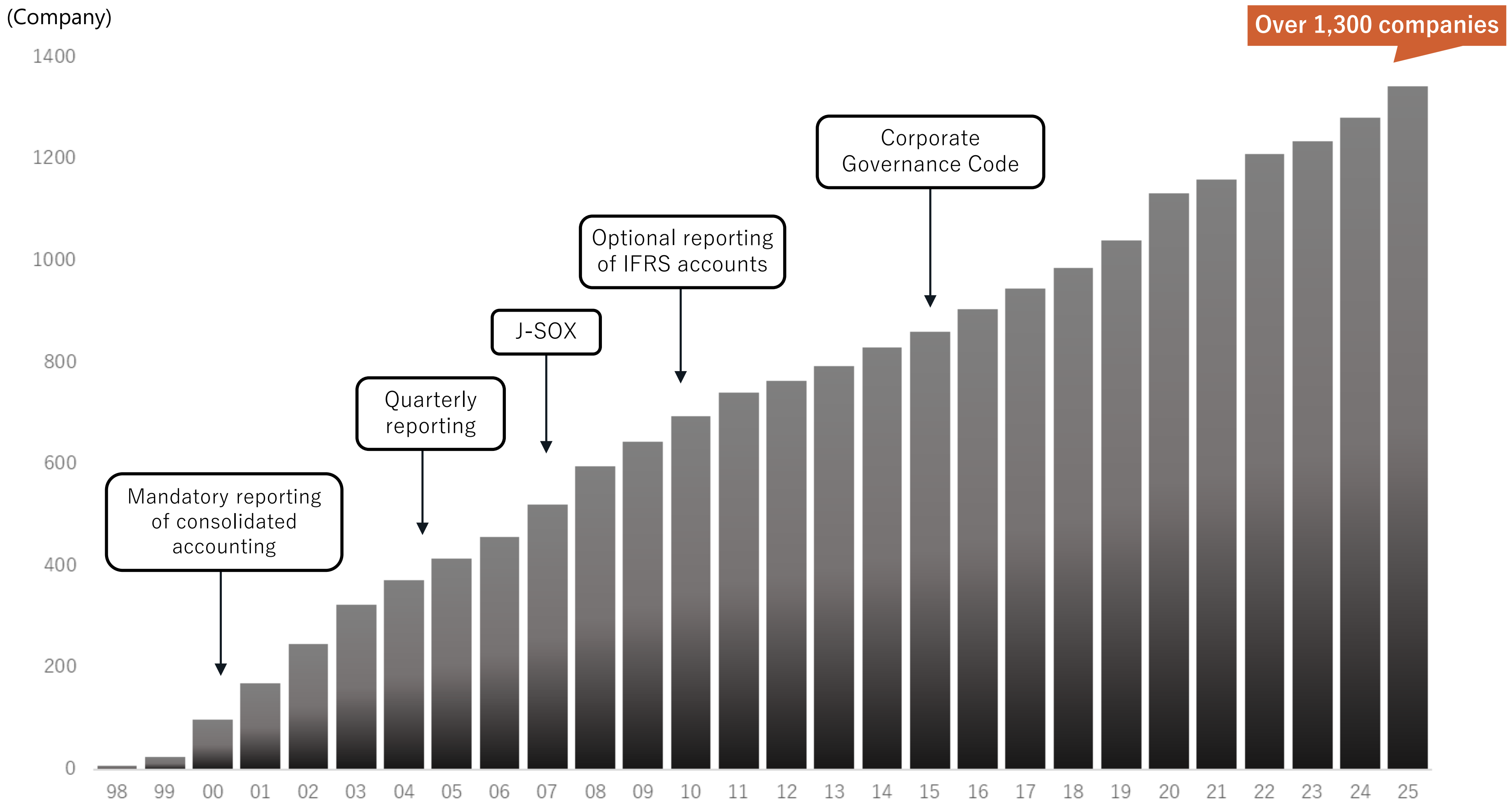
Market Cap



 AVANT GROUP

Trends in companies that have introduced Avant Group software

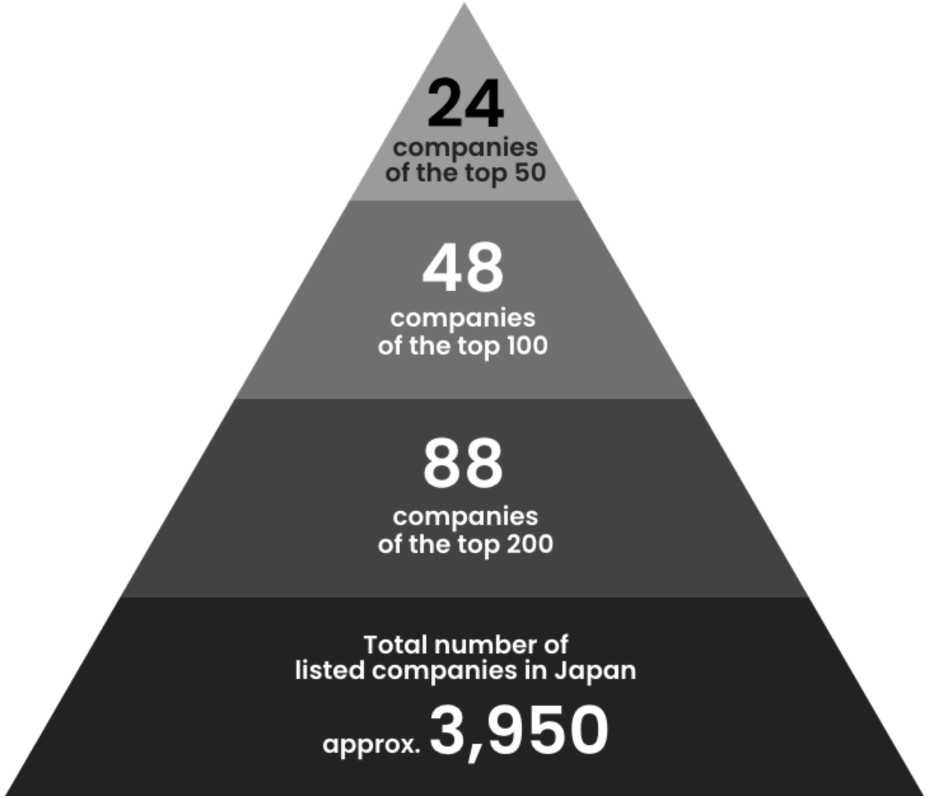
■ With the tightening of disclosure regulations, consolidated accounting system DivaSystem LCA leads the number of introductions



 AVANT GROUP

Customer base of consolidated accounting system “DivaSystem LCA”

- More than 1,300 companies have bought ※1
- FY2024 consolidated accounting software market share is 42.8% ※2
- From institutional accounting to budget and management accounting, we support strengthening of corporate governance



※1 As of the end of June 2025
※2 Fuji Chimera Research Institute “Software Business New Market 2025 Edition” Consolidated Accounting Management Software Market Share (FY2024 results)

Cautionary statement concerning forward-looking statements

The business forecasts, future projections, and strategies contained in this document are based on information reasonably available to the Company and judgments made within a normal scope at the time of preparation.
However, actual results may differ materially from those projected in these forward-looking statements due to the occurrence of extraordinary circumstances, unforeseeable results, or various risks and uncertainties.
While the Company strives to actively disclose information deemed important to investors, we urge you not to rely solely on the earnings forecasts contained in this document when making investment decisions. Please refrain from reproducing or transmitting this document for any purpose without permission.

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SUSTAINABILITY IS VALUE