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April 14, 2026

Non-consolidated Financial Results for the Nine Months Ended February 28, 2026 (Under Japanese GAAP)

Company name: GDEP ADVANCE, Inc.
Listing: Tokyo Stock Exchange
Securities code: 5885
URL: <https://info.gdep.co.jp>
Representative: Tadamichi Iino, Executive Officer, Representative Director and CEO
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Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Non-consolidated financial results for the nine months ended February 28, 2026 (from June 1, 2025 to February 28, 2026)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
February 28, 2026	4,659	Δ14.3	811	16.0	853	25.9	589	25.7
February 28, 2025	5,439	66.9	699	54.5	677	50.2	468	49.7

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
February 28, 2026	108.48	106.20
February 28, 2025	87.49	84.59

Note:

The Company conducted a stock split on December 1, 2024, at a ratio of 4 shares for 1 common stock. Basic earnings per share and diluted earnings per share are calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
February 28, 2026	5,683	3,328	58.4
May 31, 2025	4,608	2,851	61.8

Reference: Equity

As of February 28, 2026: ¥3,321 million

As of May 31, 2025: ¥2,848 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2025	—	0.00	—	23.00	23.00
Fiscal year ending May 31, 2026	—	0.00	—		
Fiscal year ending May 31, 2026 (Forecast)				36.00	36.00

Note:

Revisions to the forecast of cash dividends most recently announced: Yes

Please refer to the “Notice of Revisions to Financial Results and Dividend Forecasts” released today (April 14, 2026) for details regarding revisions to the dividend forecast.

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2026(June 1, 2025, to May 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	6,800	2.5	1,000	19.1	1,000	25.6	654	22.0	120.42

Note:

Notice concerning Revision of the Financial Forecasts: Yes

Please refer to the “Notice of Revisions to Financial Results and Dividend Forecasts” released today (April 14, 2026) for details regarding revisions to Financial Results.

* **Notes**

- (1) Adoption of accounting treatment specific to the preparation of Quarterly non-consolidated financial statements: Yes

Note: For details, please refer to “2. Quarterly Non-Consolidated Financial Statements and Notes (3) Notes to the Quarterly Non-Consolidated Financial Statements (Accounting treatment specific to the preparation Quarterly Non-Consolidated Financial Statements)” on page 5 of the attachments to this summary.

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
(ii) Changes in accounting policies due to other reasons: Yes
(iii) Changes in accounting estimates: Yes
(iv) Restatement: None

Note: Effective from the first quarter of the current fiscal year, we have changed the depreciation method and useful life, which falls under the category of “cases where it is difficult to distinguish a change in accounting policy from a change in accounting estimate.” For details, please refer to “2. Quarterly Non-Consolidated Financial Statements and Notes (3) Notes to the Quarterly Non-Consolidated Financial Statements (Changes in accounting policies that are difficult to distinguish from changes in accounting estimates and changes in accounting estimates)” on page 5 of the attachments to this summary.

- (3) Number of issued shares (common shares)

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

As of February 28, 2026	5,452,800 shares
As of May 31, 2025	5,413,600 shares

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

As of February 28, 2026	508 shares
As of May 31, 2025	424 shares

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

Nine months ended February 28, 2026	5,433,422 shares
Nine months ended February 28, 2025	5,357,769 shares

Note:

The Company conducted a stock split on December 1, 2024, at a ratio of 4 shares for 1 common stock. Basic earnings per share and diluted earnings per share are calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

- * Review of the Attached Quarterly Financial Statements by a Certified Public Accountant or Audit Firm: No

- * Proper use of earnings forecasts, and other special matters

(Cautionary statements with respect to forward-looking statements and other information)

The earnings forecasts and other forward-looking statements presented in this report are based on information available at the time of its issue and on certain assumptions that the Company considers reasonable.

Forward-looking statements in no capacity represent a guarantee that the Company will achieve the stated amounts. Various factors can cause actual results to differ materially from the forecasts. For the assumptions underlying the earnings forecast and notes on the use of the earnings forecast, please refer to “1. Overview of Operating Results, etc. on Quarterly Finance Results (3) Explanation of Earnings Forecast and Other Forward-Looking Information” on page 2 of the attached document.

(Method of obtaining the supplementary material on financial results)

The supplementary material on financial results is disclosed on TDnet on the same day.

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1. Overview of Operating Results, etc. on Quarterly Finance Results

(1) Explanation of Operating Results

During the third quarter of the current fiscal year, the Japanese economy maintained a moderate recovery trend, supported by a pickup in personal consumption and a rebound in inbound demand. On the other hand, the outlook remains uncertain due to persistently high raw material prices, fluctuations in exchange rates, heightened geopolitical risks, and the impact of overseas monetary policy trends and changes in the international situation. In particular, regarding the Middle East situation, concerns have arisen over the impact on energy prices and international logistics due to the escalation of tensions involving Iran, and it is necessary to closely monitor the impact on the future business environment.

In this economic environment, domestic companies continued to show solid appetite for capital investment in IT-related fields, and digitalization investments aimed at improving productivity, strengthening competitiveness, and reducing labor dependency expanded. In particular, against the backdrop of progress in the practical application and business utilization of generative AI, demand for high-performance GPU servers and AI infrastructure centered on these systems remained firm. In addition, demand has also emerged for research and development as well as demonstration environments for the utilization of physical AI.

Under our mission, “Advance with you, let's advance the world”, our Company has worked to increase profits in this situation.

As a result, for the third quarter of the fiscal year ending May 31, 2026, operating performance was as follows: net sales of ¥4,659,580 thousand (down 14.3% year-on-year), operating profit of ¥811,265 thousand (up 16.0% year-on-year), ordinary profit of ¥853,342 thousand (up 25.9% year-on-year), and profit of ¥589,395 thousand (up 25.7% year-on-year).

As the Company is in the single segment of the system incubation business, we have omitted the segment-by-segment description.

(2) Explanation of Financial Position

(Assets)

Current assets as of February 28, 2026, were ¥5,490,215 thousand, an increase of ¥1,099,001 thousand from the end of the previous fiscal year. This was mainly due to a decrease of ¥599,202 thousand in cash and deposits, while notes and accounts receivable - trade, and contract assets increased by ¥696,381 thousand, merchandise increased by ¥896,042 thousand, and other current assets increased by ¥105,779 thousand due to the payment of advances and other factors.

Non-current assets as of February 28, 2026, were ¥193,067 thousand, a decrease of ¥24,306 thousand from the end of the previous fiscal year. This was mainly due to a decrease of ¥62,103 thousand resulting from depreciation of non-current assets, despite the acquisition of property, plant and equipment of ¥31,723 thousand and intangible assets of ¥6,450 thousand.

As a result, total assets as of February 28, 2026, were ¥5,683,283 thousand, an increase of ¥1,074,694 thousand from the end of the previous fiscal year.

(Liabilities)

Current liabilities as of February 28, 2026, were ¥1,610,169 thousand, an increase of ¥582,911 thousand from the end of the previous fiscal year. This was mainly due to a decrease of ¥60,816 thousand in income taxes payable and a decrease of ¥66,412 thousand in other current liabilities due to the payment of accrued consumption taxes and other factors, despite an increase of ¥534,424 thousand in notes and accounts payable - trade and an increase of ¥164,992 thousand in advances received.

Non-current liabilities as of February 28, 2026, were ¥744,174 thousand, an increase of ¥14,760 thousand from the end of the previous fiscal year. This was due to an increase of ¥14,760 thousand in long-term advances received.

As a result, total liabilities as of February 28, 2026, were ¥2,354,344 thousand, an increase of ¥597,672 thousand from the end of the previous fiscal year.

(Net assets)

Net assets of February 28, 2026, were ¥3,328,938 thousand, an increase of ¥477,022 thousand from the end of the previous fiscal year. This was mainly due to the recording of ¥589,395 thousand in profit, despite the payment of ¥124,503 thousand in dividends from surplus.

(3) Forecasts and Other Projections

With regard to the Financial Results forecast for the term ending May 31, 2026, we have revised the full-year Financial Results forecast announced on July 14, 2025, based on the earnings for the third quarter of the current fiscal year. Please refer to the “Notice of Revisions to Financial Results and Dividend Forecasts” released today (April 14, 2026) for details regarding revisions to Financial Results.

2. Quarterly Non-Consolidated Financial Statements and Notes

(1) Quarterly Non-Consolidated Balance Sheets

(Thousands of yen)

	As of May 31, 2025	As of February 28, 2026
Assets		
Current assets		
Cash and deposits	3,334,112	2,734,909
Notes and accounts receivable - trade, and contract assets	90,871	787,253
Merchandise	960,913	1,856,956
Other	5,316	111,095
Total current assets	4,391,214	5,490,215
Non-current assets		
Property, plant and equipment	134,563	106,275
Intangible assets	32,419	36,777
Investments and other assets	50,392	50,014
Total non-current assets	217,374	193,067
Total assets	4,608,588	5,683,283
Liabilities		
Current liabilities		
Notes and accounts payable - trade	254,658	789,083
Income taxes payable	193,545	132,728
Advances received	455,845	620,838
Provision	—	10,723
Other	123,207	56,794
Total current liabilities	1,027,257	1,610,169
Non-current liabilities		
Long-term Advances received	503,482	518,242
Long-term Accounts payable - other	225,931	225,931
Total non-current liabilities	729,414	744,174
Total liabilities	1,756,672	2,354,344
Net assets		
Shareholders' equity		
Capital stock	290,879	294,887
Capital surplus	891,501	895,509
Retained earnings	1,667,124	2,132,016
Treasury shares	△987	△1,242
Total shareholders' equity	2,848,518	3,321,170
Share acquisition rights	3,398	7,767
Total net assets	2,851,916	3,328,938
Total liabilities and net assets	4,608,588	5,683,283

(2) Quarterly Non-Consolidated Statements of Income

(Thousands of yen)

	For the Nine months ended February 28, 2025	For the Nine months ended February 28, 2026
Net sales	5,439,332	4,659,580
Cost of sales	4,404,695	3,455,396
Gross profit	1,034,637	1,204,183
Selling, general and administrative expenses	334,978	392,918
Operating profit	699,658	811,265
Non-operating income		
Foreign exchange gains	—	30,714
Interest	8,289	11,332
Other	207	28
Total non-operating income	8,496	42,076
Non-operating expenses		
Foreign exchange losses	30,488	—
Total non-operating expenses	30,488	—
Ordinary profit	677,667	853,342
Profit before income taxes	677,667	853,342
Income taxes	208,918	263,946
Profit	468,748	589,395

(3) Notes to Quarterly Non-Consolidated Financial Statements

(Changes in accounting policies that are difficult to distinguish from changes in accounting estimates and changes in accounting estimates)

(Change in Depreciation Method for Tangible Fixed Assets and Change in Useful Life)

Previously, the Company adopted the straight-line method for assets related to cloud services. However, starting from the first quarter of the current fiscal year, the straight-line method has been changed to the declining balance method for cloud service contracts with a term of less than three years. This change is due to the commencement of new cloud services. While our previous cloud services were based on medium-term contract periods, the new cloud services include contracts with shorter durations, such as one year. Since the economic value of these assets is expected to diminish over time, we have determined that the declining balance method more accurately reflects our operating results.

Additionally, starting with the first quarter of the current fiscal year, in conjunction with the change in depreciation method, the useful life of assets related to cloud services with contract terms of less than three years has been revised to three years based on an estimate of the economically usable period, and has been changed going forward.

This has no impact on the cumulative results for the third quarter of the current fiscal year.

(Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements)

(Calculation of tax expenses)

The Company calculates tax expenses by rationally estimating the effective tax rate after applying the tax effect on income before income taxes for the fiscal year including the nine months ended February 28, 2026, and multiplying income before income taxes by the estimated effective tax rate.

(Notes on segment information, etc.)

Segment information is omitted as the Company operates a single segment of system incubation business.

(Notes in the case of significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes to Quarterly Non-Consolidated Statements of Cash Flows)

We have not prepared a quarterly cash flow statement for the third quarter of the current fiscal year. Depreciation (including amortization of intangible assets) for the third quarter of the fiscal year is as follows.

	For the Nine months ended February 28, 2025	For the Nine months ended February 28, 2026
Depreciation	Thousands of yen 31,393	Thousands of yen 62,103
