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July 15, 2026

Consolidated Financial Results for the Nine Months Ended May 31, 2026 (Under Japanese GAAP)

Company name: and factory,inc
Listing: Tokyo Stock Exchange
Securities code: 7035
URL: https://andfactory.co.jp/
Representative: Rinji Aoki ,Chief Executive Officer
Inquiries: Masataka Nagae ,Chief Financial Officer
Telephone: +81-3-6712-7646
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. Consolidated financial results for the nine months ended May 31, 2026 (from September 1, 2025 to May 31, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2026	2,208	(8.7)	(45)	-	(46)	-	(39)	-
May 31, 2025	2,418	-	(169)	-	(170)	-	(172)	-

Note: Comprehensive income For the nine months ended May 31, 2026: ¥ (34) million [-%]
For the nine months ended May 31, 2025: ¥ (167) million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
May 31, 2026	(3.51)	-
May 31, 2025	(15.31)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
May 31, 2026	1,774	859	47.8
August 31, 2025	2,020	892	43.9

Reference: Equity
As of May 31, 2026: ¥ 848 million
As of August 31, 2025: ¥ 887 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 August 31, 2025	-	0.00	-	0.00	0.00
Fiscal year ending August 31, 2026	-	0.00	-		
Fiscal year ending August 31, 2026 (Forecast)				0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of the third quarter dividend for the fiscal year ending August 31, 2026 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending August 31, 2026 (from September 1, 2025 to August 31, 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
Full year	3,072	(4.2)	0	-	0	-	0	-	0.00

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies( )

Excluded: - companies( )

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) 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: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of May 31, 2026	11,261,970 shares
As of August 31, 2025	11,261,970 shares

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

As of May 31, 2026	277 shares
As of August 31, 2025	277 shares

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

Nine months ended May 31, 2026	11,261,693 shares
Nine months ended May 31, 2025	11,261,696 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Quarterly Consolidated Financial Statements and Primary Notes

Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of August 31, 2025	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	860	799
Accounts receivable - trade	533	459
Merchandise	1	-
Work in process	17	40
Advances paid	-	50
Short-term loans receivable	6	7
Accounts receivable - other	304	243
Income taxes refund receivable	-	7
Consumption taxes refund receivable	103	-
Other	44	36
Allowance for doubtful accounts	(32)	(39)
Total current assets	1,840	1,605
Non-current assets		
Property, plant and equipment		
Buildings	6	6
Tools, furniture and fixtures	60	63
Accumulated depreciation	(66)	(66)
Total property, plant and equipment	0	3
Intangible assets		
Software	18	14
Software in progress	0	10
Goodwill	38	29
Total intangible assets	58	55
Investments and other assets		
Investment securities	45	45
Long-term loans receivable	20	15
Leasehold and guarantee deposits	41	41
Other	13	8
Total investments and other assets	121	110
Total non-current assets	179	168
Total assets	2,020	1,774

(Millions of yen)

	As of August 31, 2025	As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	175	132
Short-term borrowings	90	65
Current portion of long-term borrowings	31	31
Accounts payable - other	466	434
Income taxes payable	9	-
Provision for bonuses	1	0
Provision for shareholder benefit program	35	-
Other	79	36
Total current liabilities	890	699
Non-current liabilities		
Long-term borrowings	235	213
Deferred tax liabilities	1	1
Total non-current liabilities	237	215
Total liabilities	1,127	915
Net assets		
Shareholders' equity		
Share capital	801	70
Capital surplus	800	817
Retained earnings	(718)	(41)
Treasury shares	(0)	(0)
Total shareholders' equity	883	844
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3	3
Total accumulated other comprehensive income	3	3
Share acquisition rights	4	8
Non-controlling interests	1	2
Total net assets	892	859
Total liabilities and net assets	2,020	1,774

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Nine-Month Period

(Millions of yen)

	For the nine months ended May 31, 2025	For the nine months ended May 31, 2026
Net sales	2,418	2,208
Cost of sales	1,351	1,160
Gross profit	1,066	1,048
Selling, general and administrative expenses	1,236	1,094
Operating loss	(169)	(45)
Non-operating income		
Interest income	0	1
Foreign exchange gains	-	1
Subsidy income	3	1
Compensation income	0	-
Recoveries of written off receivables	-	1
Other	0	0
Total non-operating income	6	6
Non-operating expenses		
Interest expenses	5	4
Foreign exchange losses	0	-
Miscellaneous losses	-	2
Other	0	-
Total non-operating expenses	6	7
Ordinary loss	(170)	(46)
Extraordinary income		
Insurance claim income	2	-
Profit resulting from a change in the method of revenue recognition	28	9
Total extraordinary income	30	9
Extraordinary losses		
Impairment losses	5	-
Loss on retirement of non-current assets	22	-
Loss on valuation of investment securities	3	-
Total extraordinary losses	30	-
Loss before income taxes	(169)	(37)
Income taxes	1	0
Loss	(171)	(38)
Profit attributable to non-controlling interests	0	1
Loss attributable to owners of parent	(172)	(39)

Quarterly Consolidated Statement of Comprehensive Income

For the Nine-Month Period

(Millions of yen)

	For the nine months ended May 31, 2025	For the nine months ended May 31, 2026
Loss	(171)	(38)
Other comprehensive income		
Valuation difference on available-for-sale securities	3	3
Total other comprehensive income	3	3
Comprehensive income	(167)	(34)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(168)	(36)
Comprehensive income attributable to non-controlling interests	0	1