

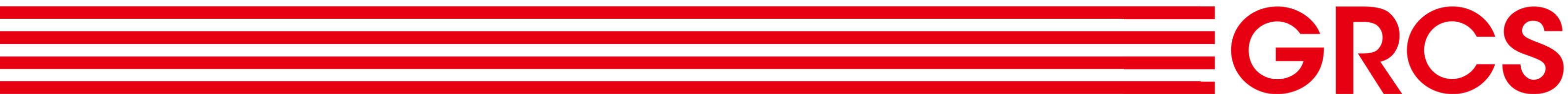
Fiscal Year ended November 30, 2025 (FY2025)

# Financial Results Briefing

GRCS Inc.

Securities code: 9250

January 19, 2026



## Disclaimer

This material contains forward-looking statements based on estimates. These forward-looking statements are based on the information available as of the date of publication of this material.

These forward-looking statements should not be construed as a guarantee of future results or performance figures. Such forward-looking statements inherently contain known and unknown risks and uncertainties. Consequently, actual results and financial conditions may differ significantly from the forecasts of future performance and results explicitly or implicitly indicated by the forward-looking statements.

Factors that may cause significant differences from results described in such statements include, but are not limited to, changes in domestic and international economic conditions and trends in the industries in which we operate.

In addition, information regarding matters and organizations other than ourselves is based on publicly available information.

Note that we have not verified, nor do we guarantee, the accuracy or appropriateness of such publicly available information.

# Delay in Financial Results Announcement

Although we had been preparing to announce the financial results for the fiscal year ended November 30, 2025, on January 14, 2026, we have reached the decision to postpone the announcement as additional time is required to finalize certain accounting procedures. We sincerely apologize for any significant inconvenience and concern this delay may cause to our shareholders, investors, and all other stakeholders.

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## 1 . Financial Results for FY 2025 Ended November 2025

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**FY2025  
Result**

Maintained 16 consecutive years of revenue growth, while operating profit fell short

Net sales

**3,333** million yen  
+ 1.4 % year on year

Gross profit margin

**28.6** %  
- 4.0pt year on year

EBITDA \*

**100** million yen  
- 34.6 % year on year

Operating profit

**- 67** million yen  
-111 million yen year on year

**Topics in FY2025**

- **Security Solution Business** : Lower revenue year on year due to opportunity loss arising from headcount decrease
- **GRC Platform Business** : Achieved 82.7% year-on-year increase in full-year net sales
- **Financial Technology Business** : Commenced full-scale global expansion with new overseas orders, while experiencing an interruption of a large-scale project

(See "Progress by Business Segment" for further details)

**FY2026  
Objective**

**Invest in AI-driven GRC Security to secure market share and leadership by 2030**

\* : EBITDA=Operating profit + Depreciation + Goodwill amortization

- ✓ Net sales met the revised forecast, remained at the same level as the previous year
- ✓ Recorded extraordinary losses of 353 million yen

(Millions of yen)	FY2024	FY2025	Change amount	Change ratio	FY2025 forecast	Progress ratio
Net sales	3,288	3,333	44	1.4%	3,333	100.0%
Gross profit	1,072	953	(118)	(11.1%)	949	100.5%
Gross profit margin	32.6%	28.6%	(4.0pt)		28.5%	+0.1pt
Selling, general and administrative expenses	1,028	1,021	(6)	(0.6%)	1,045	97.7%
EBITDA	153	100	(53)	(34.6%)	70	142.2%
Operating profit (loss)	44	(67)	(111)	—	(96)	—
Ordinary profit (loss)	25	(97)	(123)	—	(127)	—
Profit (loss) attributable to owners of parent	112	(527)	(640)	—	(158)	—

\*1 : Earnings forecast for FY2025 reflects the revised figures announced on October 15, 2025

\*2 : For FY2025, an income tax adjustment of 74 million yen was recorded due to the reversal of deferred tax assets

- ✓ Recorded extraordinary losses related to project interruption in the financial technology business
- ✓ Losses pertain to hosting services (hardware, software, and services) planned for the project
- ✓ No impact on FY2026 as all costs were recognized in FY2025

#### Impairment loss

- ✓ Recognized a portion of hosting services in the financial technology business as assets, including servers and other hardware
- ✓ No future prospects for utilizing or repurposing these assets following the interruption of a large-scale project with a securities company secured in FY2024
- ✓ Recorded the full book value of 245 million yen as an impairment loss, as the assets are no longer in business use

#### Provision for business restructuring

- ✓ Recorded a 108 million yen provision for business restructuring for total remaining payments related to hosting software and services

We will promptly announce any disclosable information in an appropriate manner once it becomes available

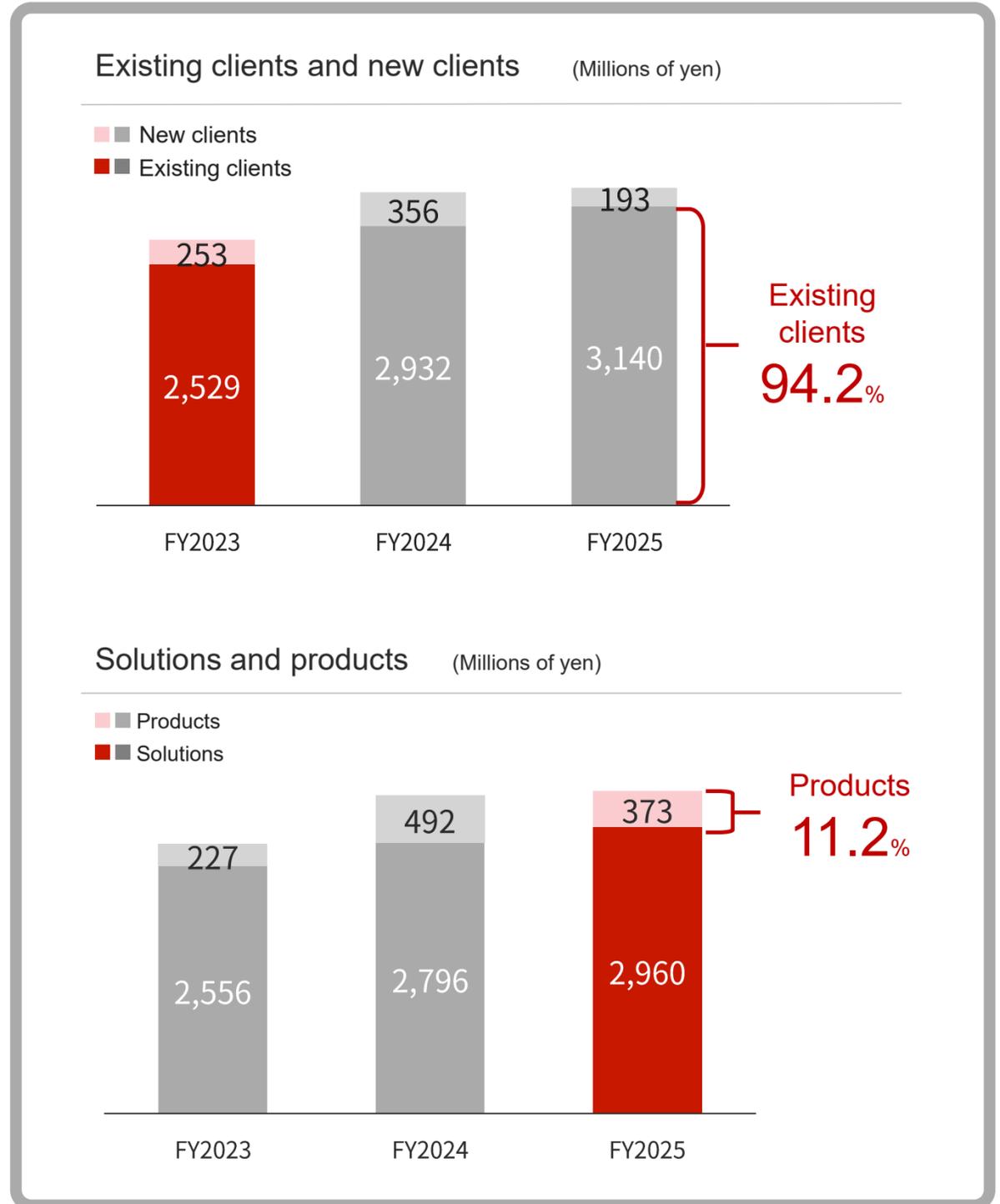
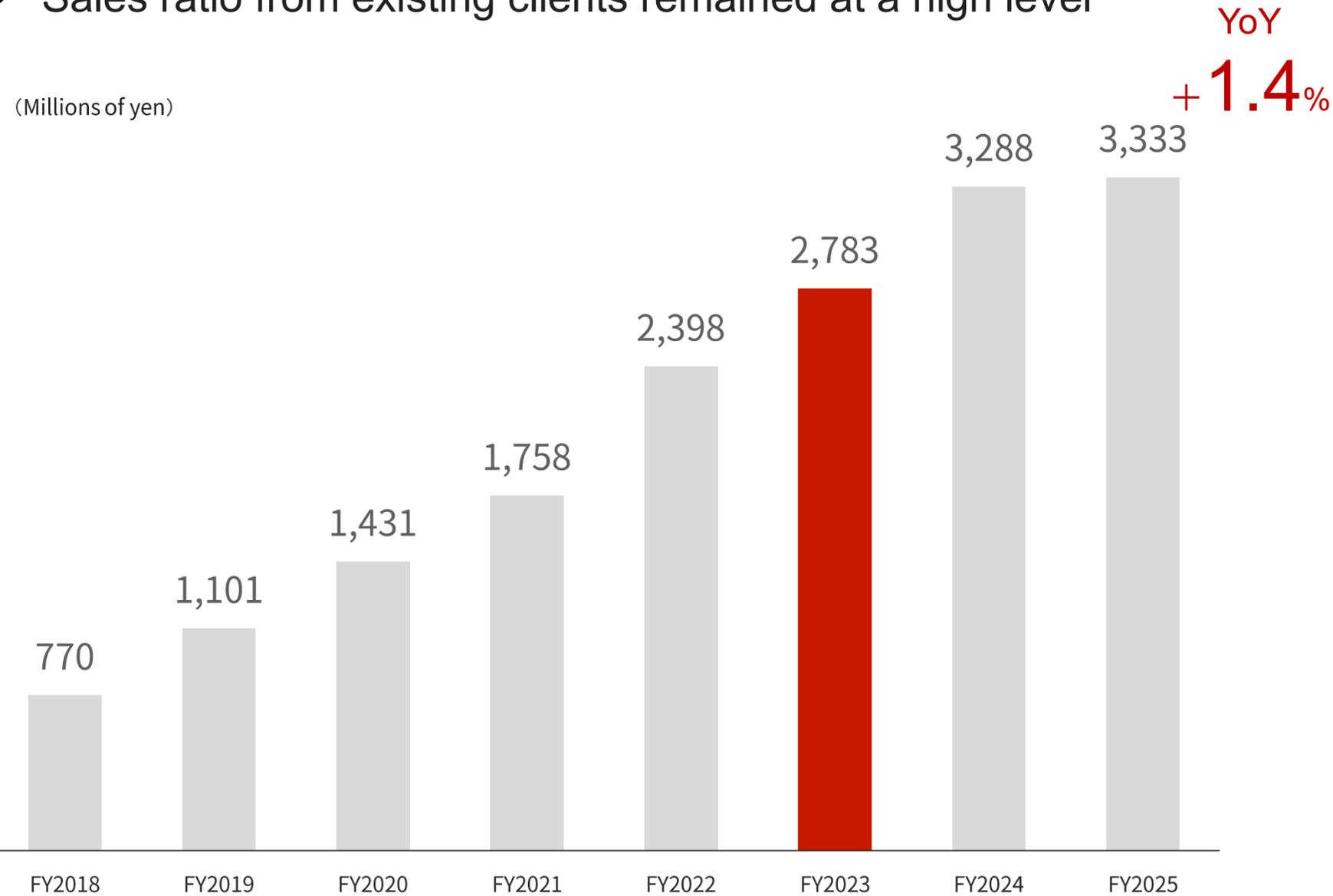
- ✓ Insolvency caused by extraordinary losses will be resolved within FY2026 through capital enhancement and improved profitability

Balance sheet (Millions of yen)

	FY2024	FY2025	Change amount
Current assets	1,332	1,069	(262)
Cash and deposits	740	530	(209)
Non-current assets	589	643	54
<b>Total assets</b>	<b>1,923</b>	<b>1,713</b>	<b>(209)</b>
Current liabilities	991	927	(63)
Non-current liabilities	516	881	365
<b>Total liabilities</b>	<b>1,508</b>	<b>1,809</b>	<b>301</b>
Shareholder's equity	391	(136)	(527)
<b>Total net assets</b>	<b>415</b>	<b>(95)</b>	<b>(511)</b>
<b>Total liabilities and net assets</b>	<b>1,923</b>	<b>1,713</b>	<b>(209)</b>

# Trends in Net Sales

- ✓ Net sales remained flat: impacted by headcount decrease in security solution, project interruption in financial technology, and group-wide shifts in order timing
- ✓ Sales ratio from existing clients remained at a high level

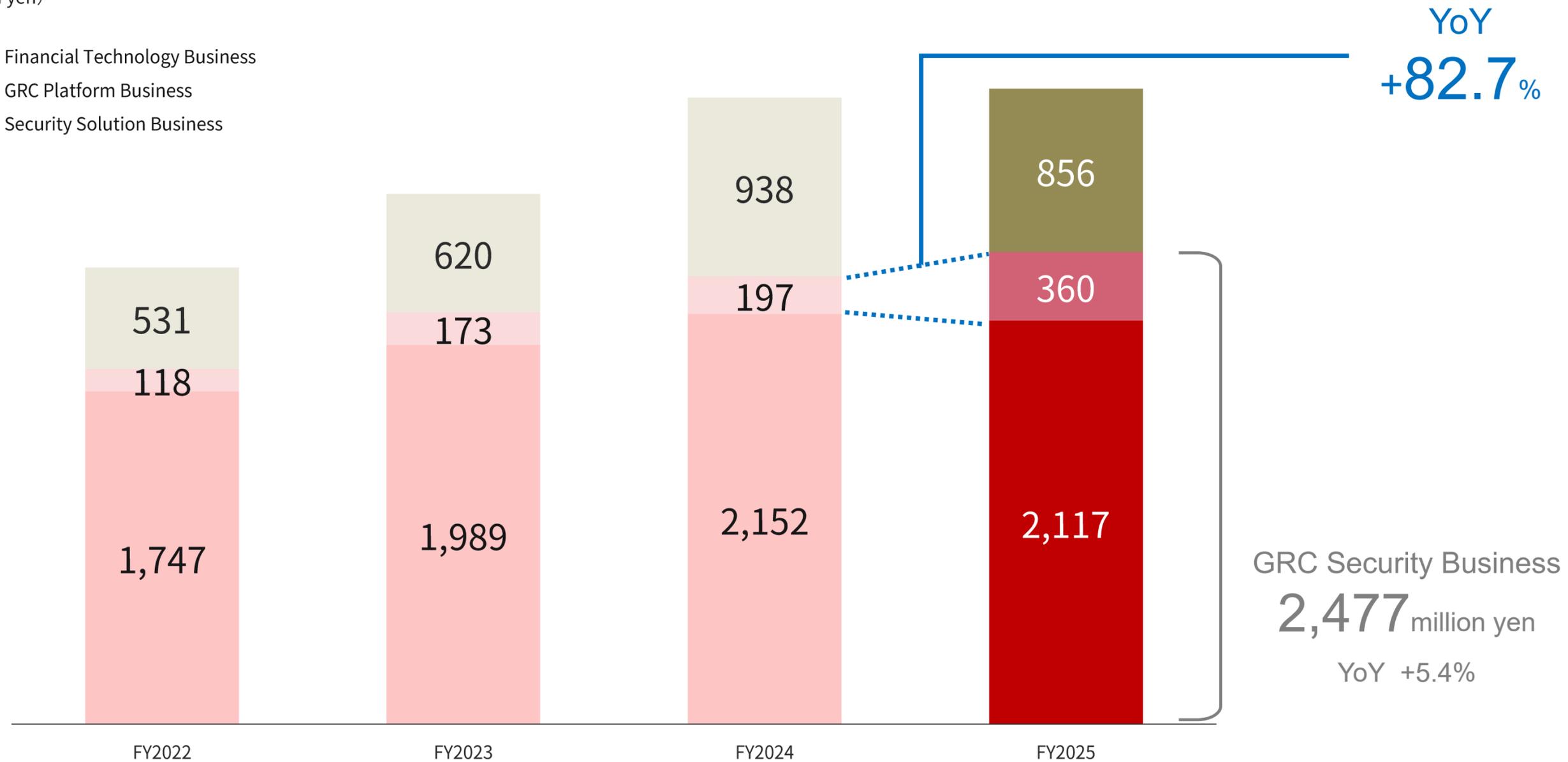


\* : GRCS shifted to consolidated accounting in Q3 FY2022

- ✓ GRC platform business continued its growth trend above previous-year levels, supporting overall performance
- ✓ Net sales decreased in security solution and financial technology businesses

(Millions of yen)

- Financial Technology Business
- GRC Platform Business
- Security Solution Business

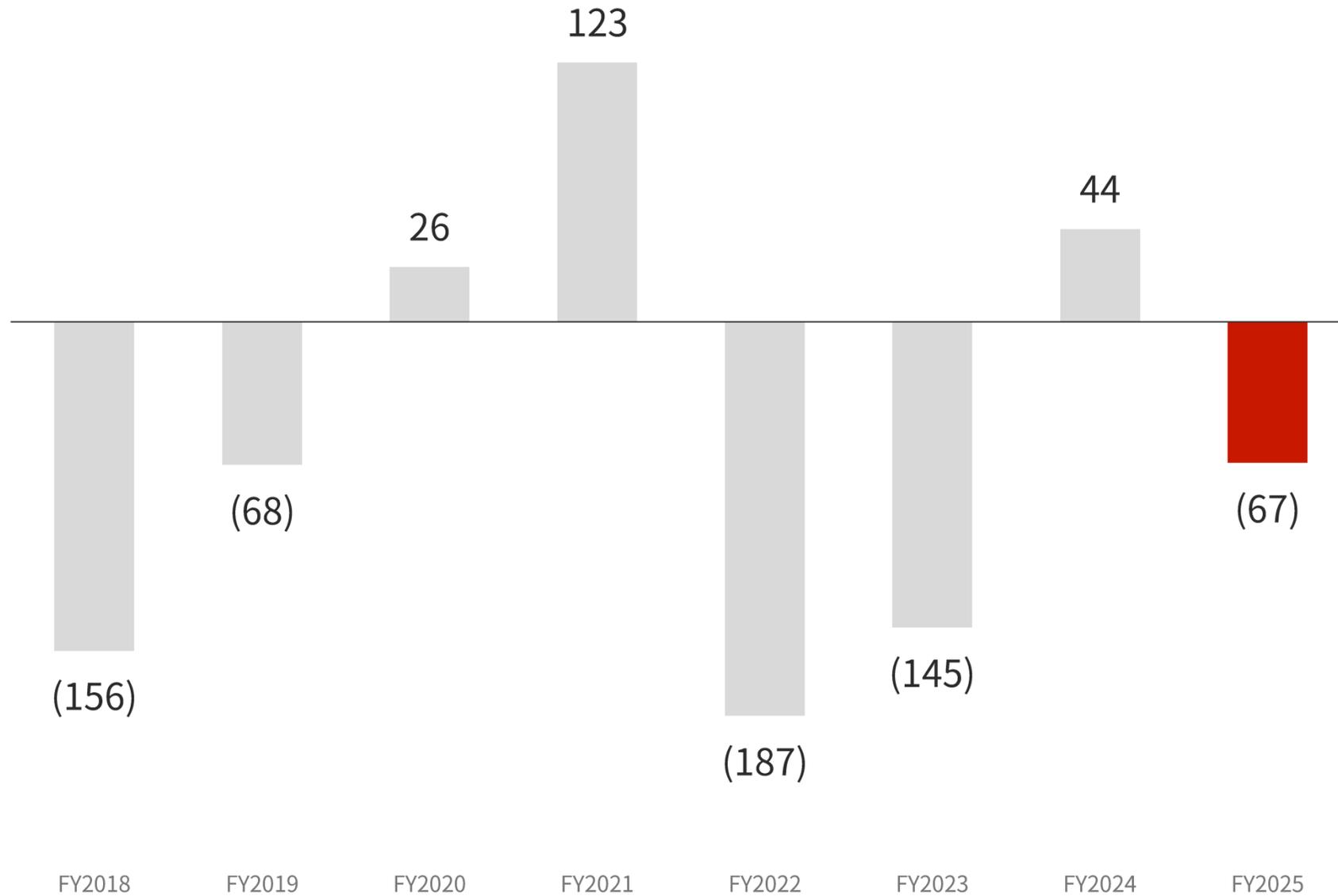


\* Starting this fiscal year, the data is categorized by business segment and has been retroactively presented for previous years

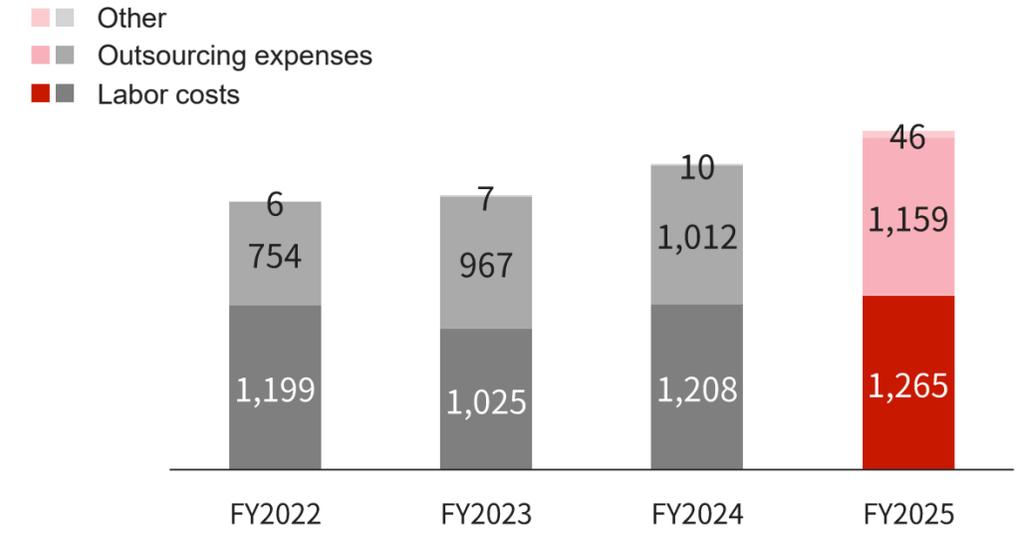
# Trends in Operating Profit

- ✓ Profit margins were pressured by an increased outsourcing ratio in Security Solution due to decreased headcount, alongside higher development investment costs in Financial Technology

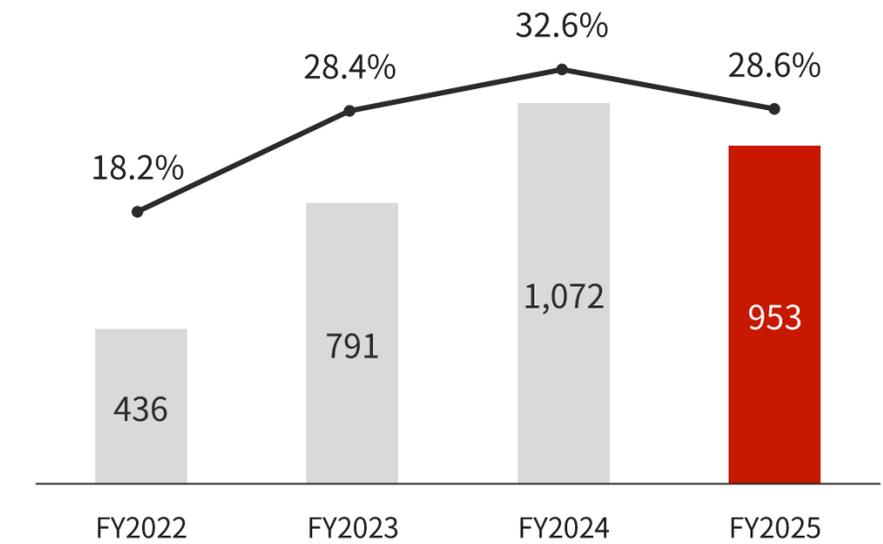
(Millions of yen)



Cost of sales (Millions of yen)



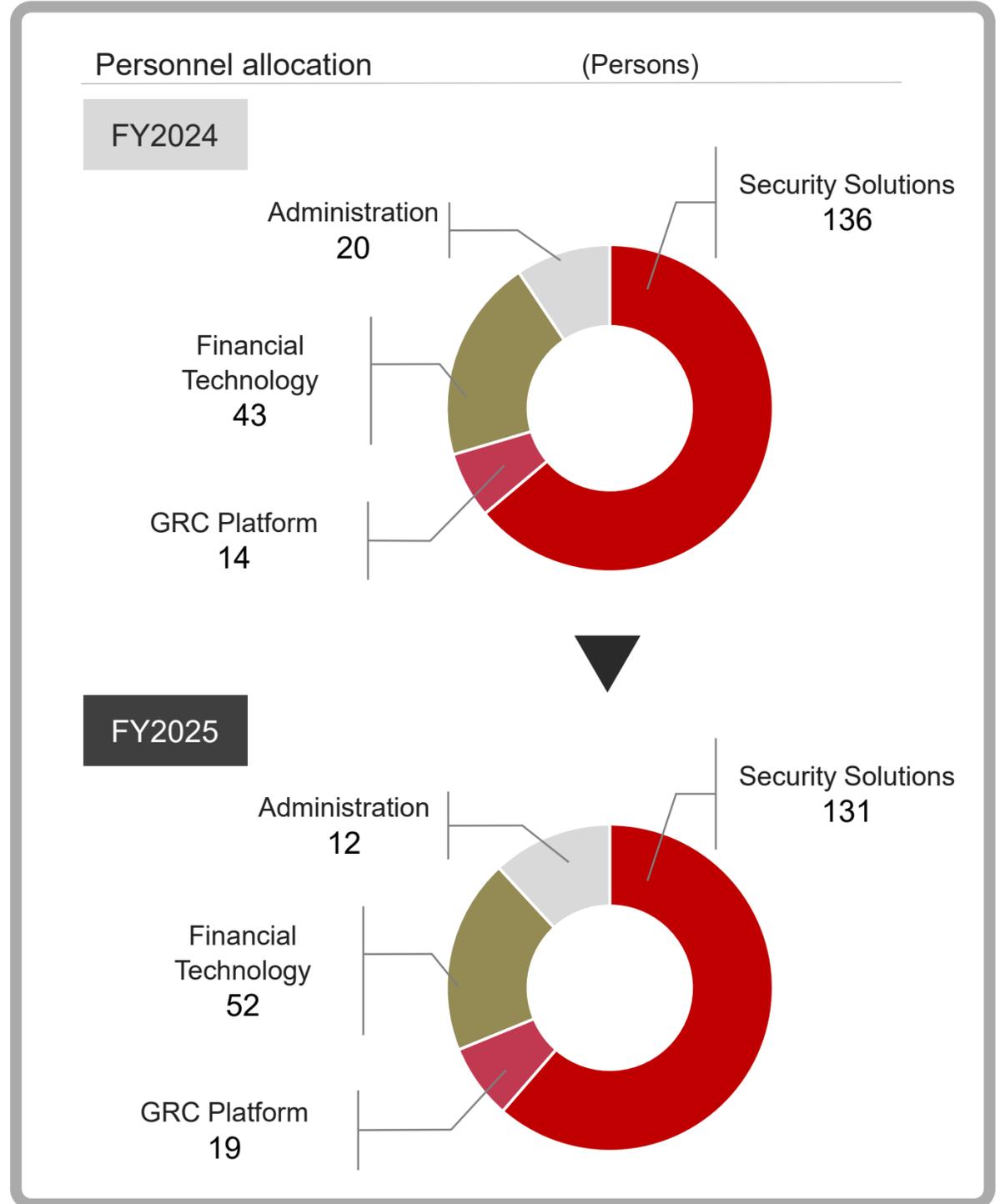
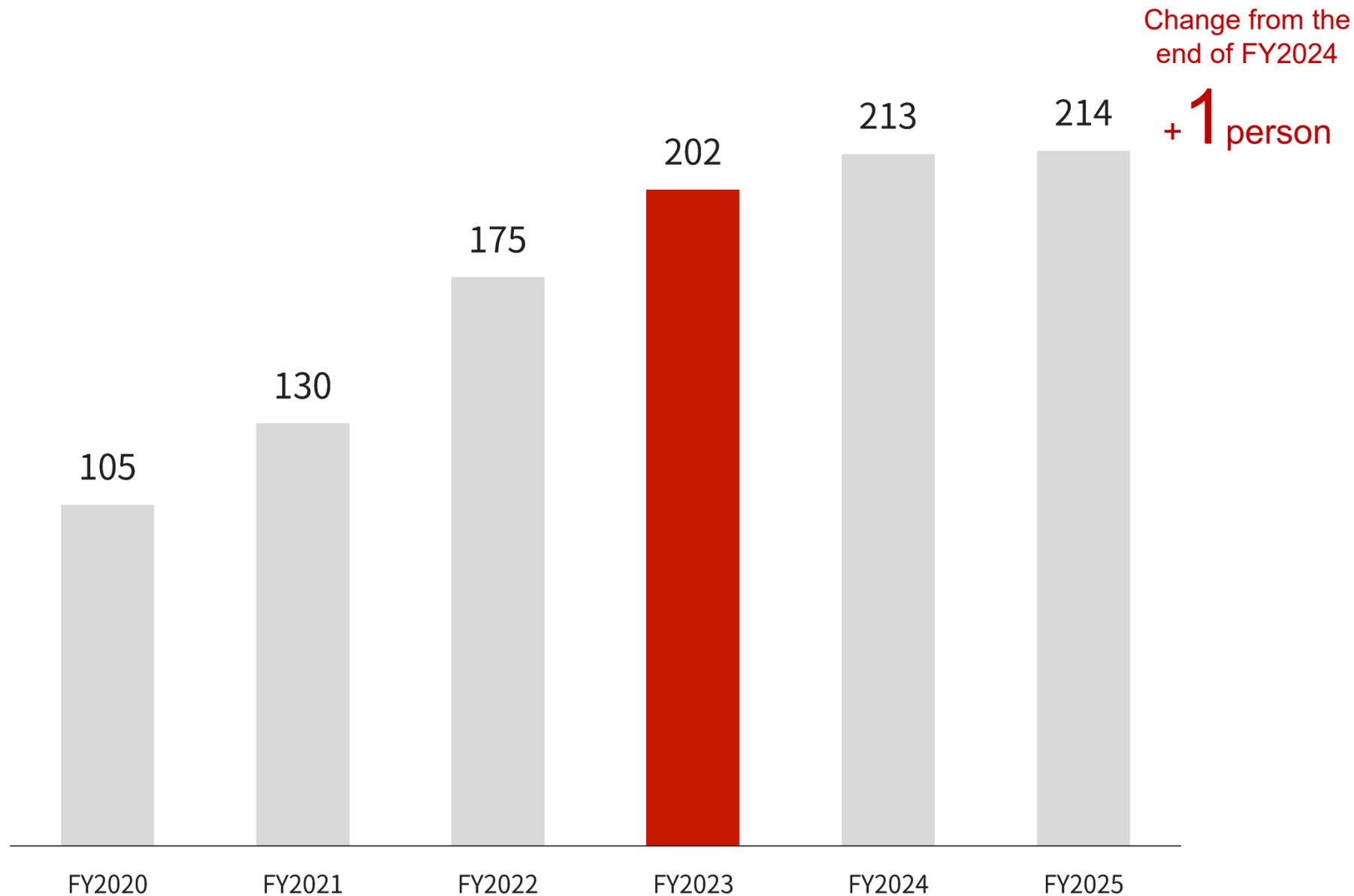
Gross profit / gross profit margin (Millions of yen)



\* : GRCS shifted to consolidated accounting in Q3 FY2022

# Headcount Trends

- ✓ Headcount in security solution decreased as recruitment did not keep pace with natural attrition
- ✓ Headcount targets for GRC platform and financial technology were met as planned

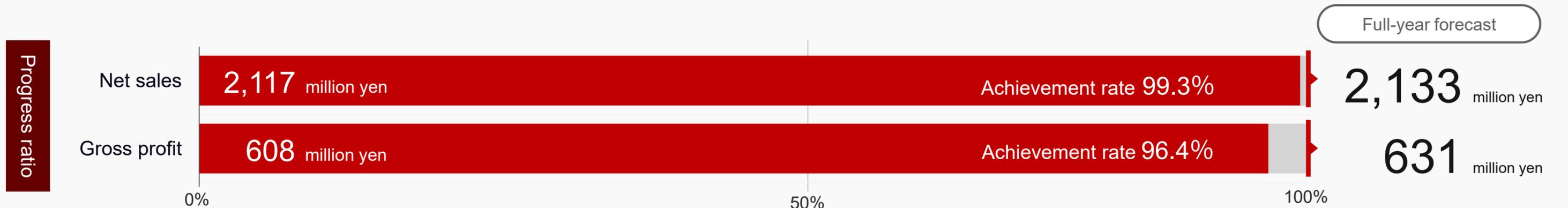


\* : GRCS shifted to consolidated accounting in Q3 FY2022

## 2 . Progress by Business Segment

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Strategies for FY2025	FY2025 Results	Outlook for FY2026
<p>1. Growth in human resources personnel</p> <ul style="list-style-type: none"> <li>✓ Increase in consultants</li> <li>✓ Expand high-demand engineering talent and services</li> </ul>	<p>Struggled for headcount growth under the tough recruitment environment in offsetting natural attrition</p>	
<p>2. Service Enhancement</p> <ul style="list-style-type: none"> <li>✓ Timely release of new services aligned with market needs</li> <li>✓ Secure new contracts for our strong existing solutions</li> </ul>	<p>Released new services for GenAI and ransomware; steady expansion in both new and existing solutions led to a higher revenue ratio for solution-related business</p>	<ul style="list-style-type: none"> <li>• Establishment of KPIs for key priorities: headcount, utilization rate, and new client acquisition</li> <li>• Strengthening pre-sales via organizational restructuring to secure operating profit</li> </ul>
<p>3. Strengthening the Recurring Revenue Model</p> <ul style="list-style-type: none"> <li>✓ Expansion of recurring revenue</li> <li>✓ Secure renewals for existing annual contracts</li> </ul>	<p>Recurring revenue remained flat due to decreased headcount, despite steady retention of existing contracts</p>	



# AI-driven service evolution and the rising demand for new security measures in the AI era are defined as the two strategic pillars of growth

## Service

Agile service rollout  
capturing market needs

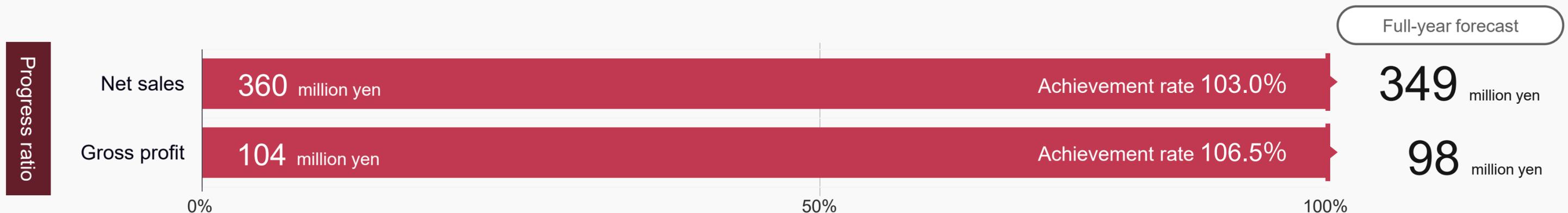
Launched **two AI-powered services** and **an AI Security Support service**, steadily generating inquiries since release

## Solution

Driving corporate transformation through a dual focus on **AI utilization** and **security**

Provision of AI-enhanced services and operational support, complemented by **solutions for risks emerging from corporate AI adoption**

Strategies for FY2025	FY2025 Results	Outlook for FY2026
<p>1. Enhancement of Services and Features</p> <ul style="list-style-type: none"> <li>✓ Third-party service integration</li> <li>✓ Release of New Features</li> </ul>	<p>Delivering new services and functional integrations as scheduled to maximize upsell opportunities</p>	<ul style="list-style-type: none"> <li>• Ongoing commitment to enhancing product value through deeper integrations and AI development</li> <li>• Exploring new service offerings to maximize product utilization</li> </ul>
<p>2. Strengthening of Sales Force</p> <ul style="list-style-type: none"> <li>✓ Enhancements to the Partner Program</li> <li>✓ Expansion of Sales Partner Network</li> </ul>	<p>Acquired two influential partners in the financial sector, our primary target market</p>	<p>Full-scale rollout of partner support programs to drive indirect sales</p>
<p>3. Key Target</p> <ul style="list-style-type: none"> <li>✓ Strengthening sales by focusing on the financial industry's high demand for risk management</li> <li>✓ Focus on outbound sales</li> </ul>	<p>Successfully acquired new financial clients in line with projections</p>	<ul style="list-style-type: none"> <li>• Leveraging case studies to showcase product value and accelerate new customer acquisition</li> <li>• Expanding market reach to regional enterprises via established networks of existing clients</li> </ul>



## Redefining the sales model through enhanced partnerships and product capabilities

### Product

Enhancing product value  
via integrations and new services

Enhanced risk management and broader coverage through third-party integrations and new service launches, delivering advanced products to address diverse needs

### Partner

Expanding market reach  
via partner synergies

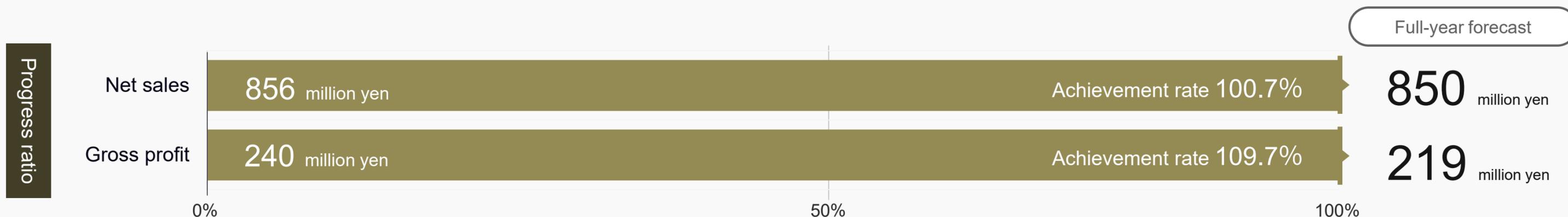
Establishing a collaborative framework with key partners to strengthen sales capabilities and expand reach into their extensive customer bases

### Customer

Expanding customer base  
through diversified sales channels

Standardizing the sales model through new methodologies to ensure results regardless of individual skills

Strategies for FY2025	FY2025 Results	Outlook for FY2026
<p>1. Development of integrated stock solution system</p> <ul style="list-style-type: none"> <li>✓ Launch of integrated system services for the market divisions of securities firms</li> <li>✓ Develop new features for OMS while further explore customer specifications</li> </ul>	<p>While development progressed as scheduled and covered all functions required for equity departments, the completion of sales was not achieved due to the suspension of a contracted project</p>	<p>Incorporating an expanded lineup of proposals into the sales menu to focus on new customer acquisition</p>
<p>2. Asian Market Expansion</p> <ul style="list-style-type: none"> <li>✓ Commence full-scale sales operations across the Asia region to expand business opportunities</li> <li>✓ Strive to secure the first project within the fiscal year</li> </ul>	<p>Securing two projects from overseas clients and continuing approaches to acquire more, thereby establishing a foothold for international business expansion</p>	<p>Ongoing focus on international expansion to enhance profit contribution and regional portfolio diversification</p>
<p>3. Strengthening the recurring model</p> <ul style="list-style-type: none"> <li>✓ Increase the number of projects in the license business, maintenance services, and operation services to secure stable revenue</li> <li>✓ In addition to acquiring new clients, strategic partnerships with other companies are also under consideration</li> </ul>	<p>Launched outsourced operation services, with a project now fully underway</p>	<p>Continuing to acquire projects and drive expansion through collaboration with overseas partner companies</p>



## Completion of Total Solution System and Launch of Asian Expansion

### System

Completion of  
"Integrated Stock  
Solution System"

Completion of service platform for comprehensive support of "operational efficiency" and "high-level execution" in corporate stock practices

### Launch

Securing first client and  
launching a project  
in the Asian market

Securing first client and launching project in strategic Asian market, leveraging this milestone to enhance international brand awareness and drive further customer acquisition

### Establishment

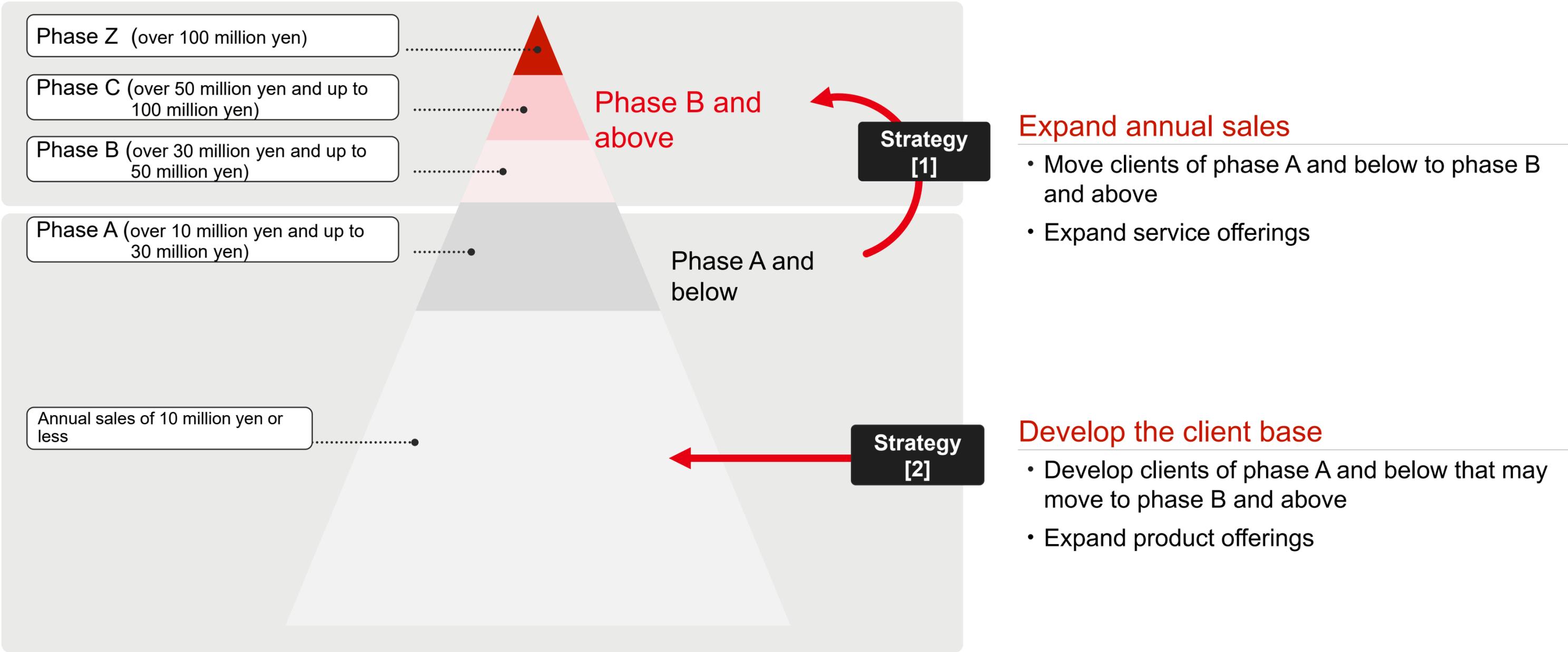
Growth of operation services,  
providing a stable  
revenue base

Establishing a revenue base to support future business growth

### 3 . Progress of Growth Strategy

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- ✓ Manage clients by phases based on their annual sales size and increase the number of clients with annual sales over 30 million yen
- ✓ Continue to focus on upselling existing clients(Strategy[1]) and developing new clients(Strategy[2])

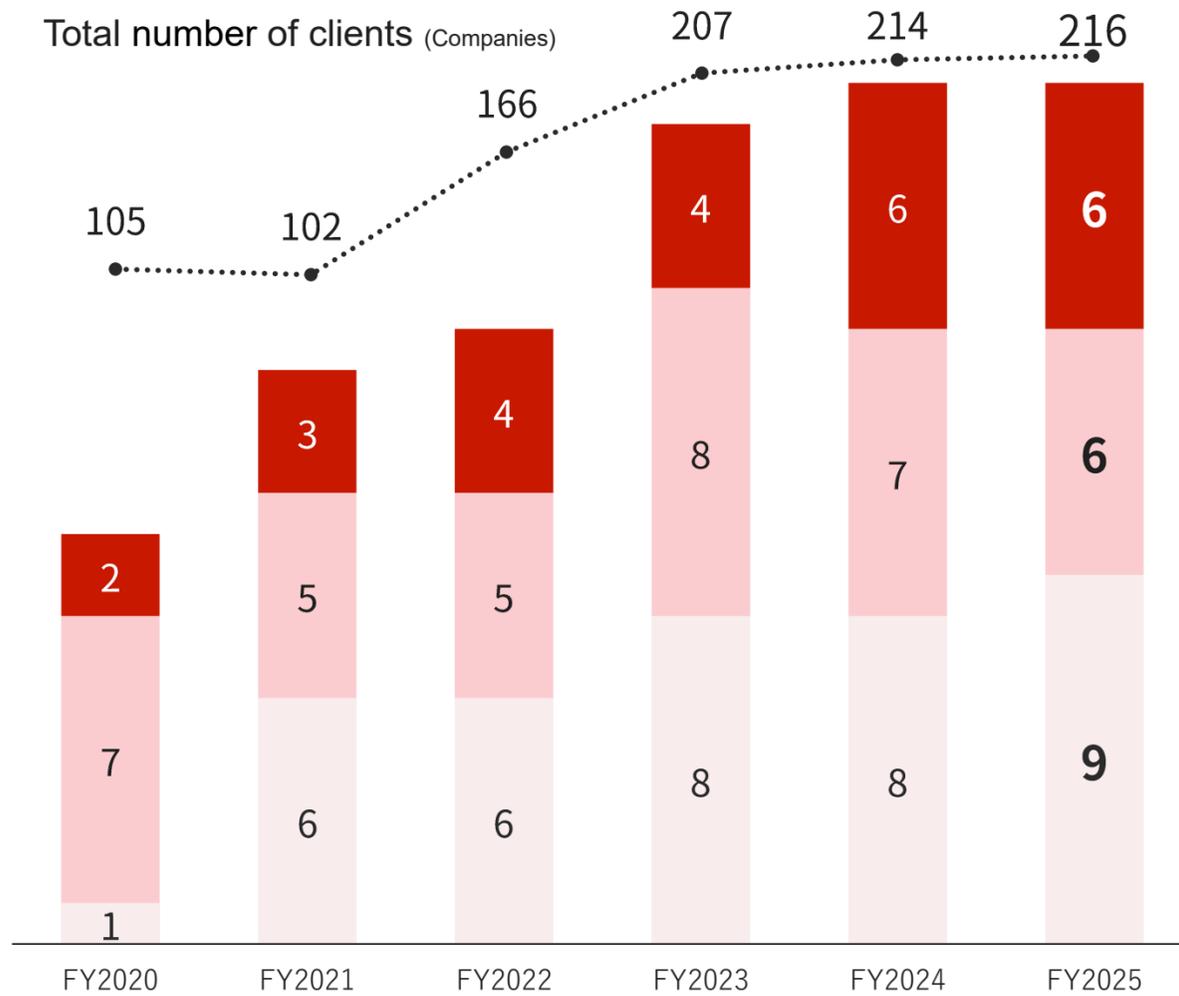


\*1: Figures in parentheses represent annual sales

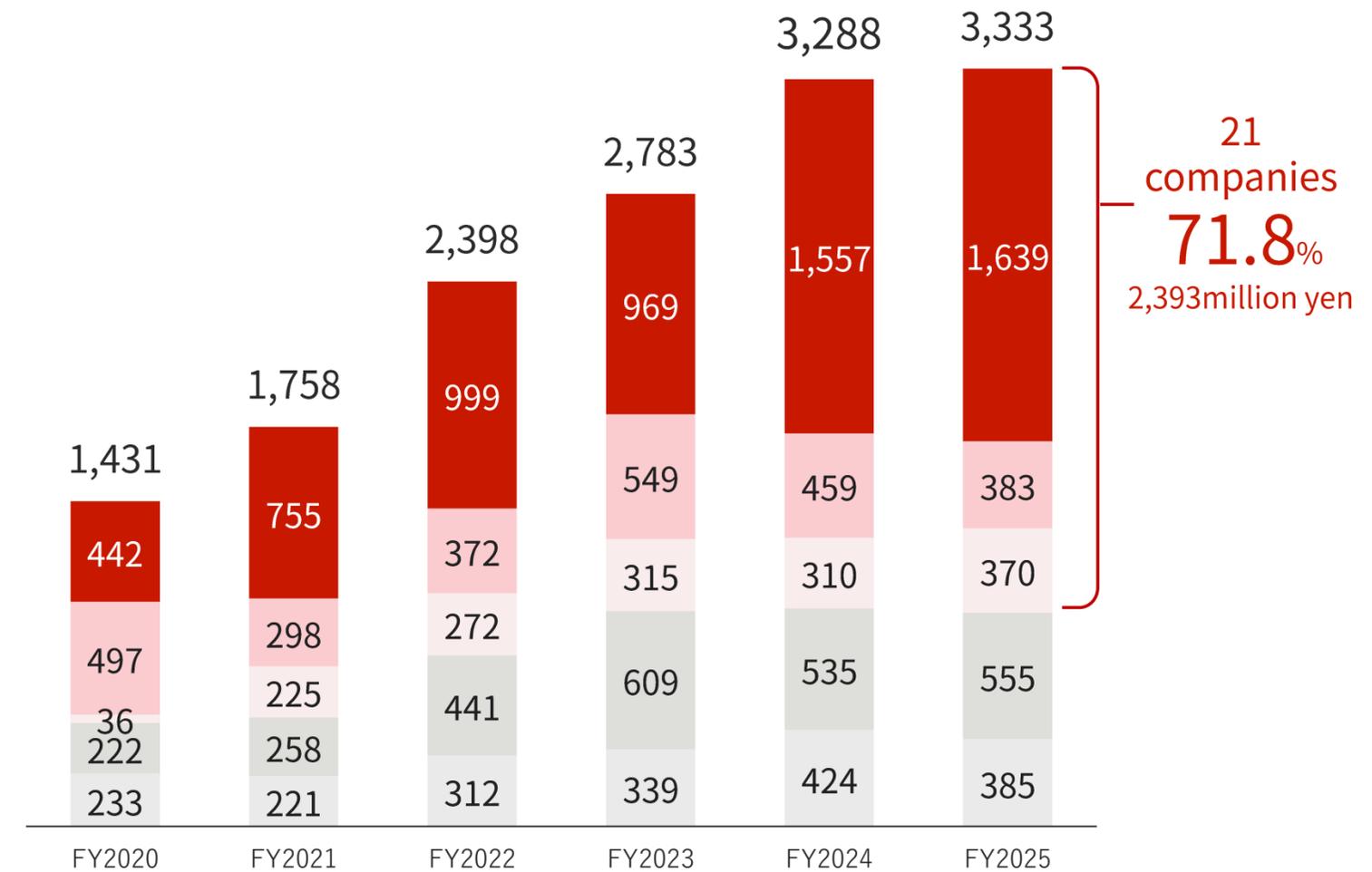
\*2: The chart is an illustrative drawing of our growth strategy and does not reflect current client distribution

- ✓ Number of clients with annual sales of 30 million yen or more remained stable, unchanged from the previous year
- ✓ **21 clients** at phase B and above account for **71.8% of whole sales**

Number of clients at phase B and above (Companies)

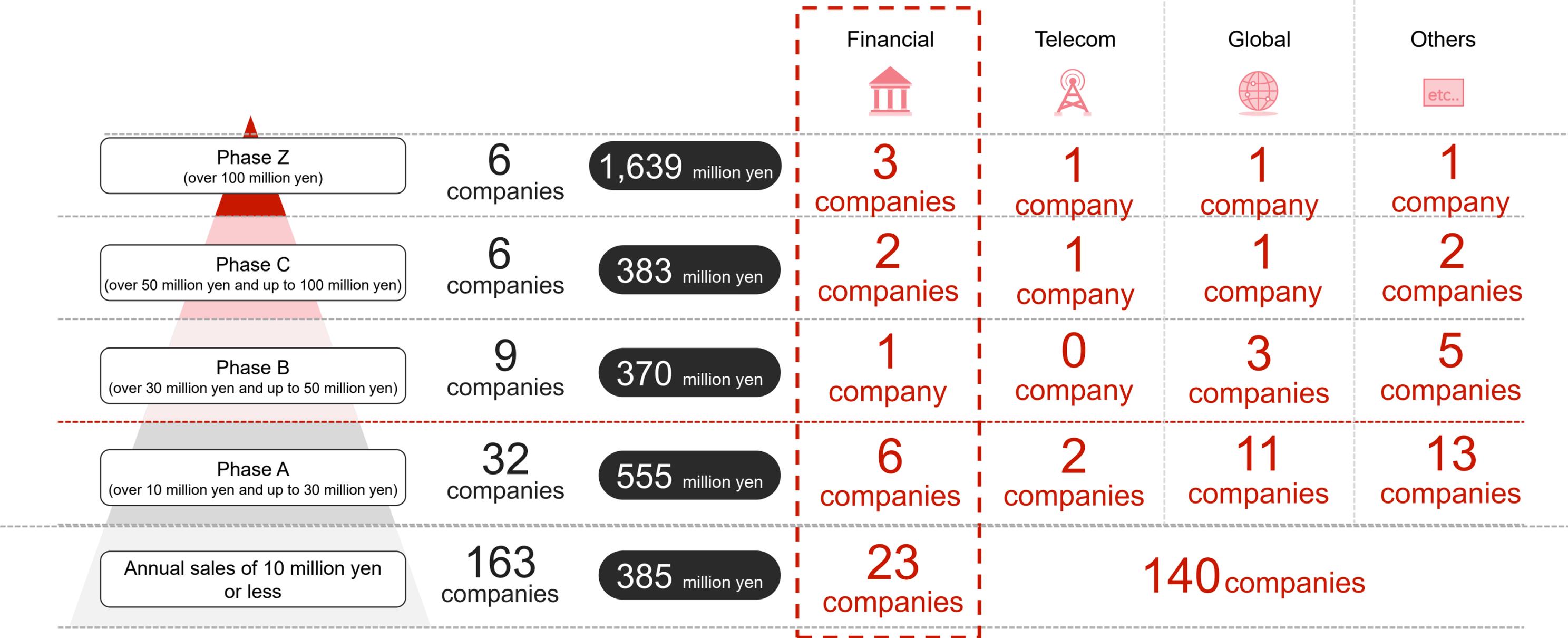


Composition ratio by phase (Millions of yen)



■ Phase Z: over 100 million yen 
 ■ Phase C: over 50 million yen and up to 100 million yen 
 ■ Phase B: over 30 million yen and up to 50 million yen  
■ Phase A: over 10 million yen and up to 30 million yen 
 ■ 10 million yen and below

- ✓ Continue to focus on **financial, telecom and global companies** with growing demand
- ✓ Growth in potential clients (Phase A or below) was limited to a year-on-year increase of two companies

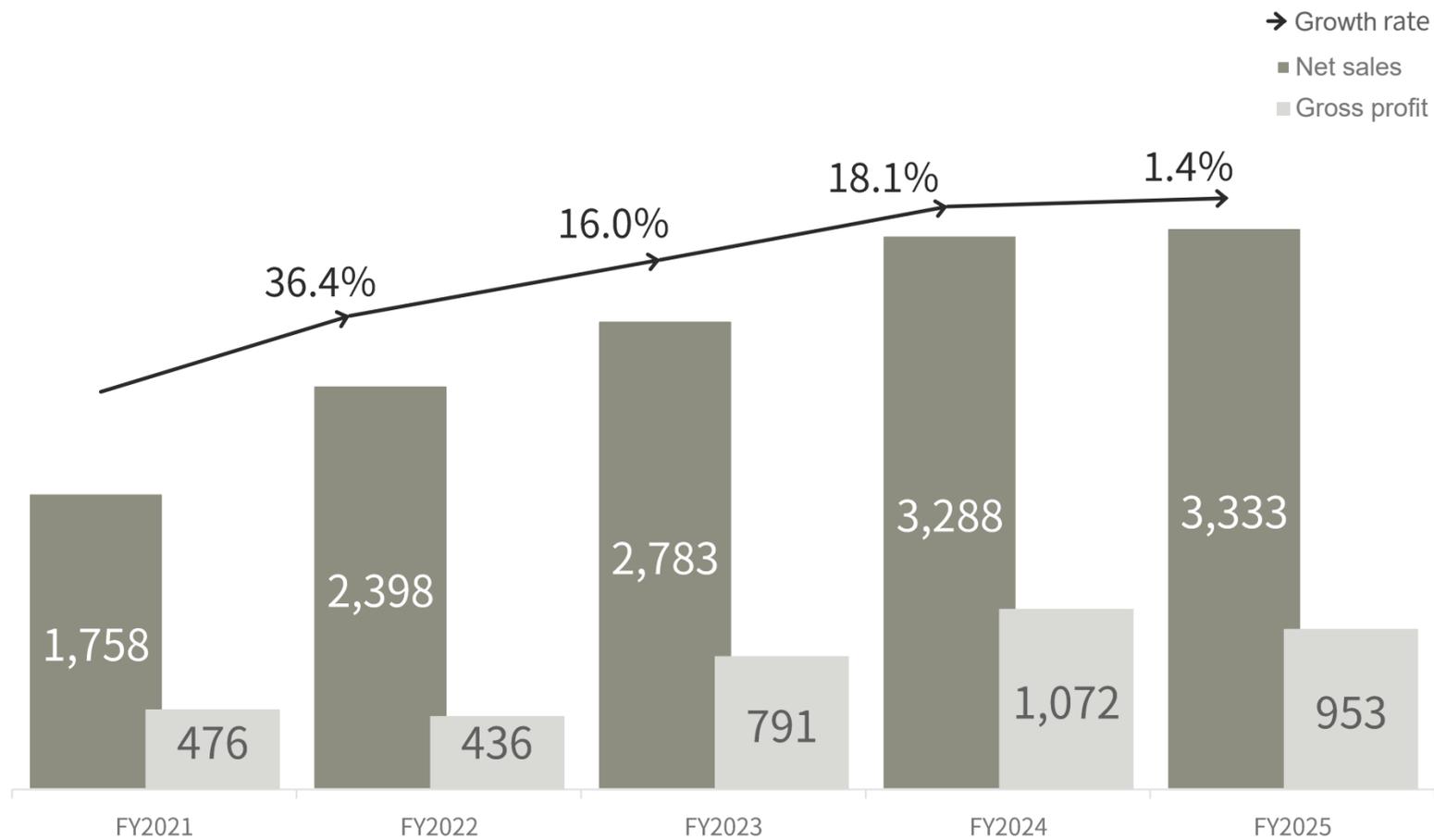


\* : Figures indicate the number of clients and transaction amount in FY2025

Current Analysis

**Stagnation in Growth :** Revenue growth in the core GRC security business has slowed to previous year's levels, affected by labor shortages

**Decline in Profit Margin :** Profit pressure due to stagnant revenue growth, alongside challenges regarding the certainty of earnings forecasts in the financial technology business



\* : GRCS shifted to consolidated accounting in Q3 FY2022

### Need for New Growth Engines

While maintaining the specialized labor-based solution business as a stable revenue base, shift the focus of growth toward a high-margin business model driven by proprietary products

**➤➤ Evolving the Growth Strategy**

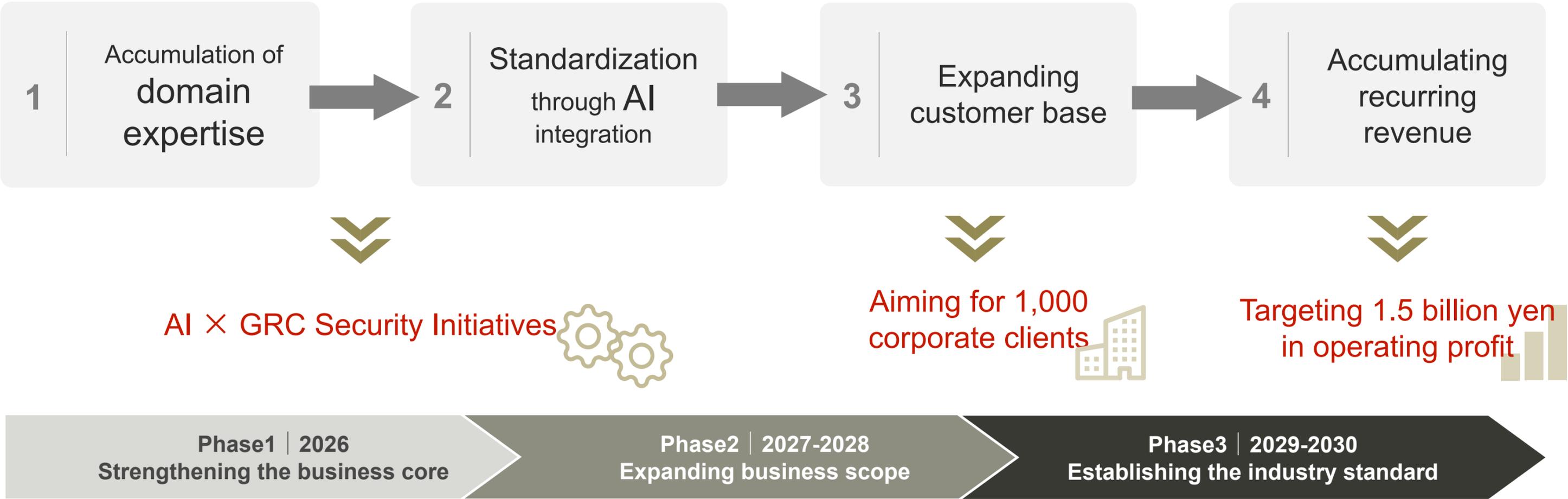
## 4 . Growth Strategy towards 2030

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# Strategic investment in AI integration

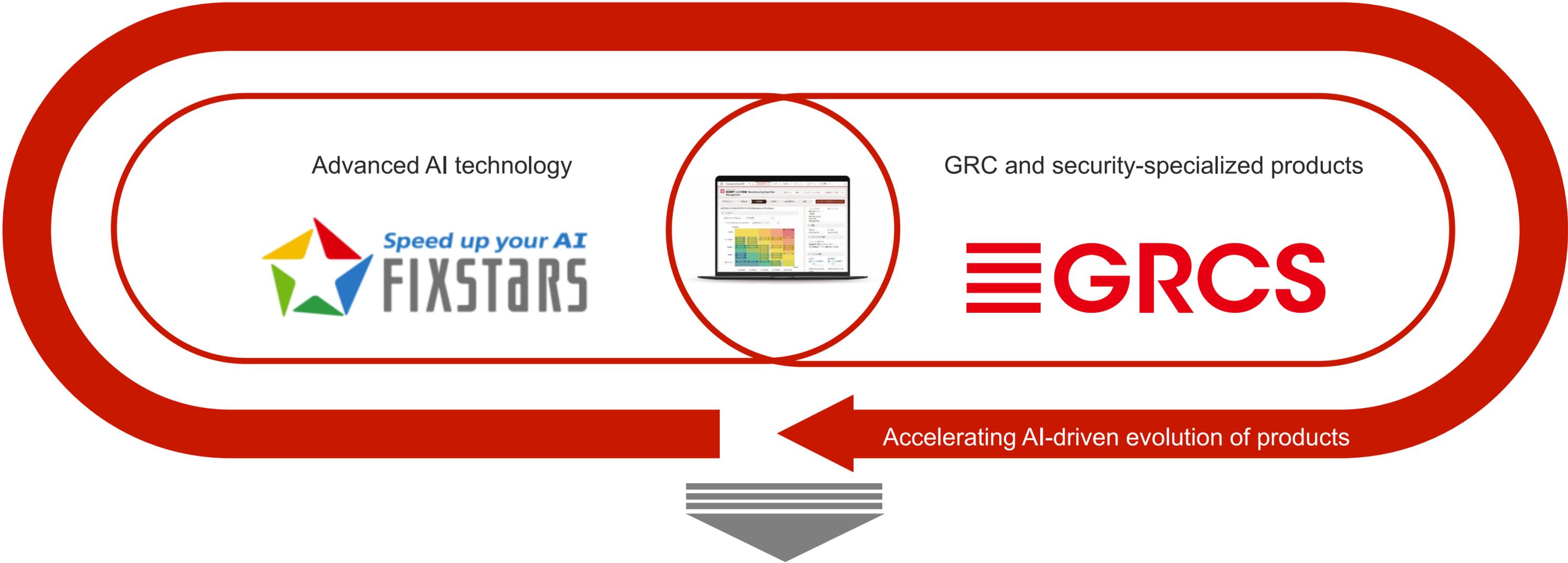
## Establishing a leading position in the GRC and security sector by 2030

- ✓ Standardizing on-site insights from major corporations and financial institutions to be integrated with AI into products
- ✓ Providing implementation-ready solutions to empower a broader range of enterprises



### Conclusion of a capital and business alliance agreement with Fixstars Corporation

- ✓ Establishment of a new major shareholder via third-party allotment of 115,000 common shares to a Fixstars group company (9.90% ownership)
- ✓ Acceleration of AI integration within GRC and security-focused products



Joint development of unique AI models

## 5 . Earnings Forecast for FY2026 Ending November 2026

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✓ Full-scale business restructuring toward a recurring model to ensure stable profitability

(Millions of yen)	FY2025	Composition ratio	FY2026 forecast	Composition ratio	Change amount	Change ratio (vs. FY2025)
Net sales	3,333	100.0%	3,678	100.0%	344	110.3%
GRC Security	2,477	74.3%	2,676	72.8%	199	108.0%
Financial Technology	856	25.7%	1,001	27.2%	145	116.9%
EBITDA	100	3.0%	235	6.4%	134	234.5%
Operating profit (loss)	(67)	—	119	3.2%	187	—
Ordinary profit (loss)	(97)	—	100	2.7%	198	—
Profit (loss) attributable to owners of parent	(527)	—	67	1.8%	595	—

Concentrate management focus and restructure: Consolidated from three businesses into two segments—Core GRC Security Business and Growth-Driving Financial Technology Business.

## GRC Security Business

Resolving corporate challenges from GRC and security perspectives

- ✓ Accelerated AI-driven product enhancement and client base expansion
- ✓ Strengthening stability and profitability by shifting to a recurring revenue model

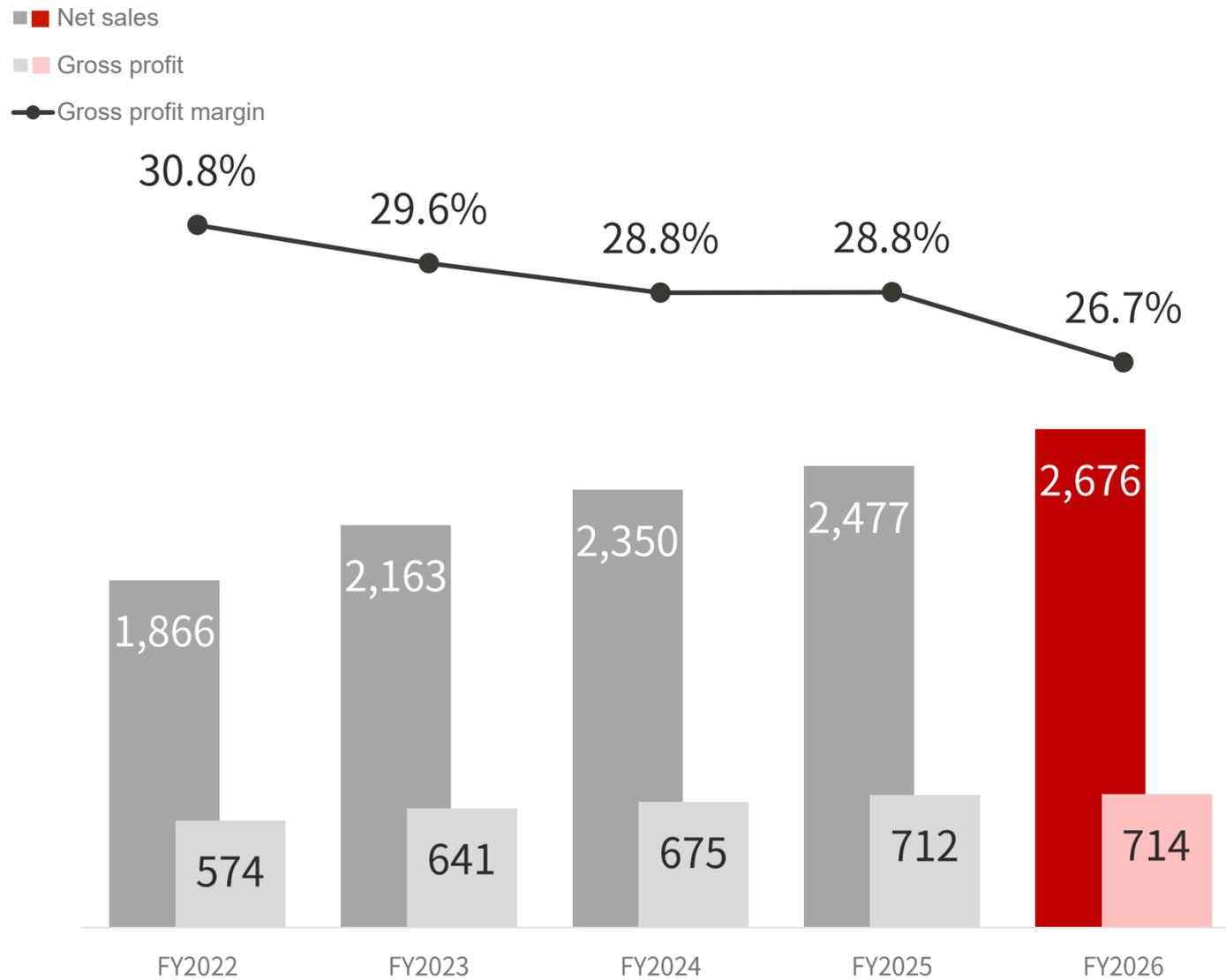
## Financial Technology Business

Advanced technology solutions for capital markets

- ✓ Business expansion from Japan to the Asian market (South Korea, Taiwan, Hong Kong, and China)
- ✓ Secure stable profitability by strengthening the recurring revenue model

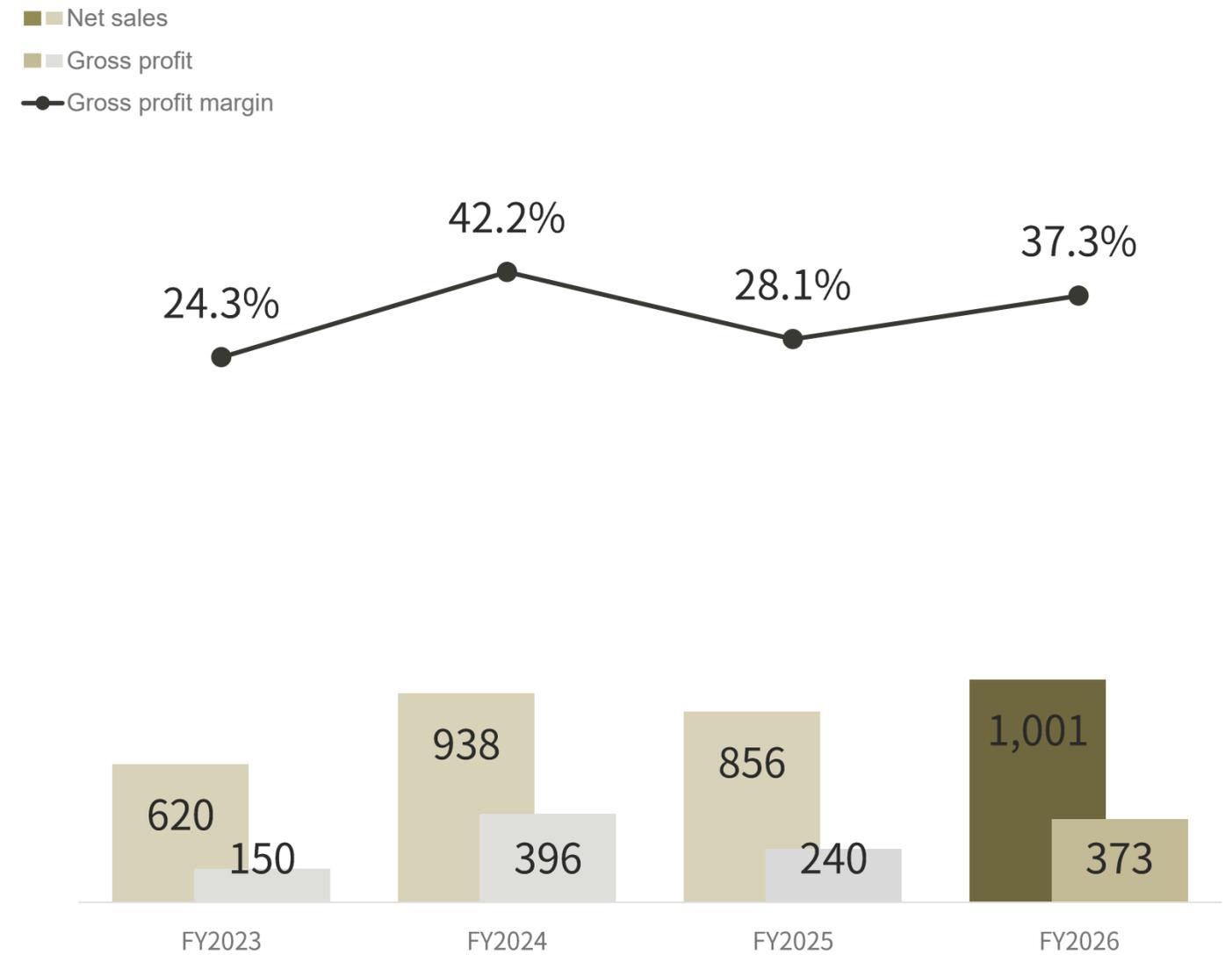
### GRC Security (Millions of yen)

- ✓ Solid net sales plan based on historical results
- ✓ Lower gross profit margin from AI development investment for in-house products



### Financial Technology (Millions of yen)

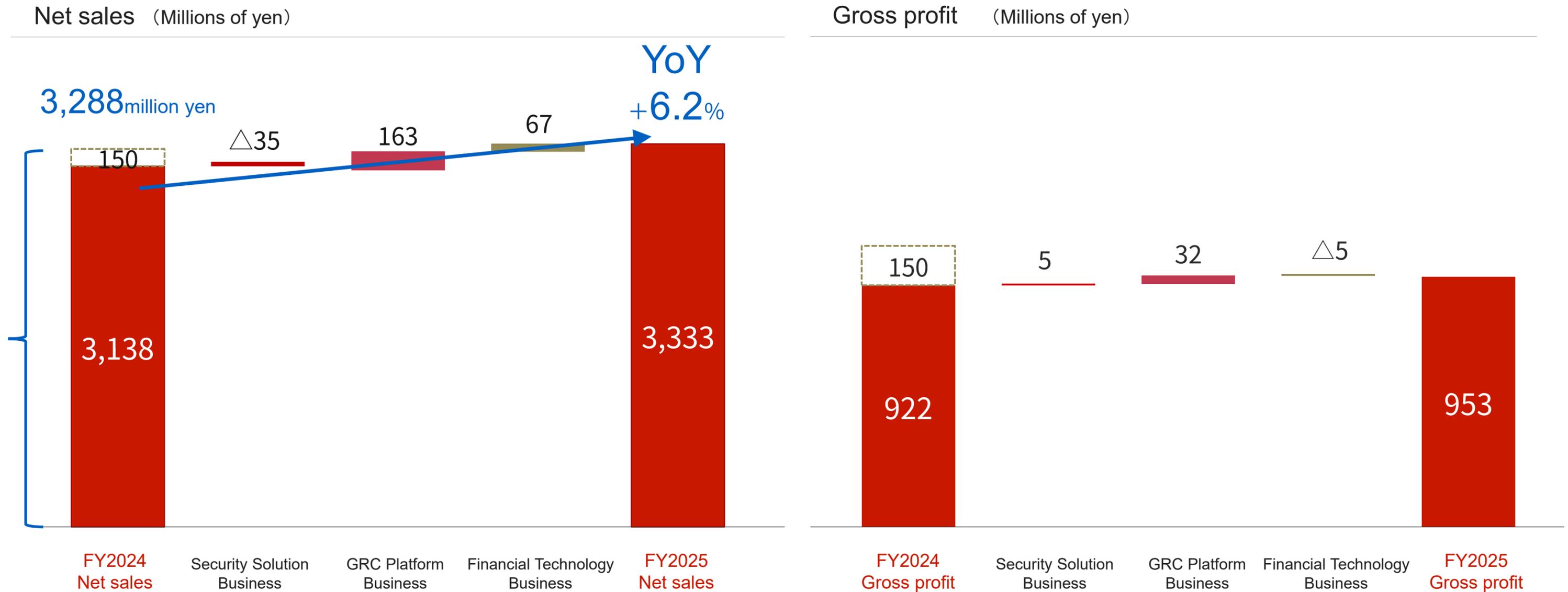
- ✓ Focus on making steady progress in maintaining and expanding the existing client base
- ✓ Enhance profitability through the expansion of the recurring revenue model



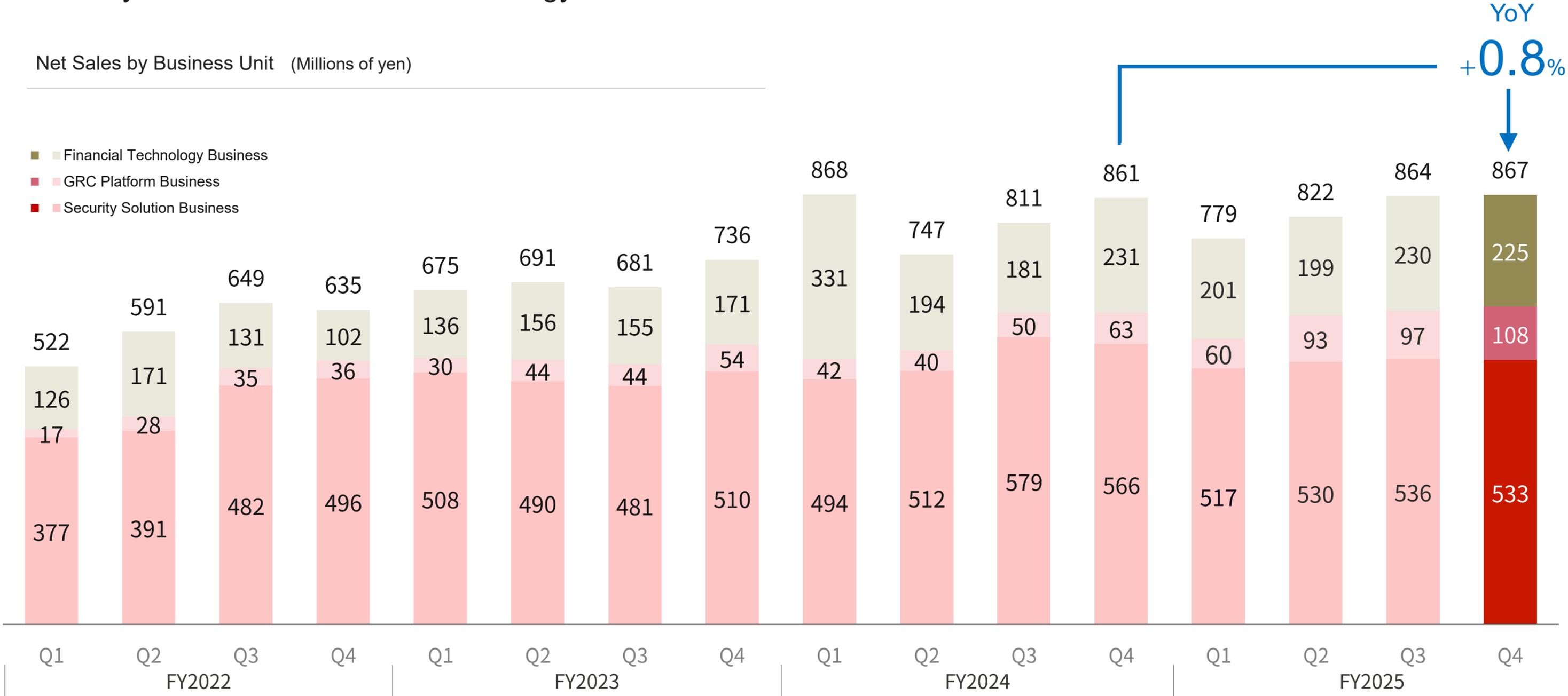
## 6 . Appendix

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- ✓ Spot sale of perpetual licenses amounting to 150 million yen occurred in Q1 of the previous fiscal year
- ✓ Net sales excluding the spot sale increased by 6.2%



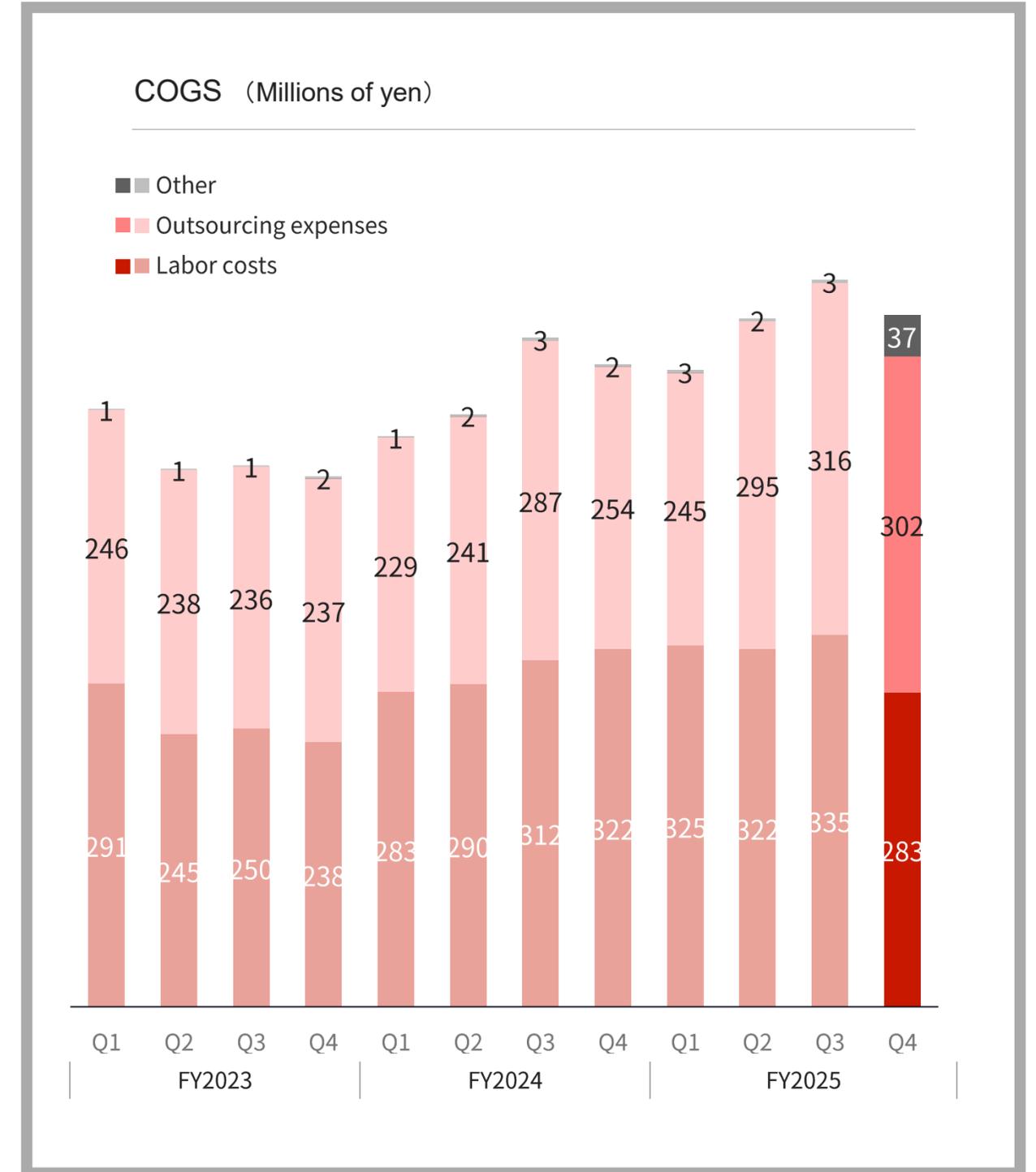
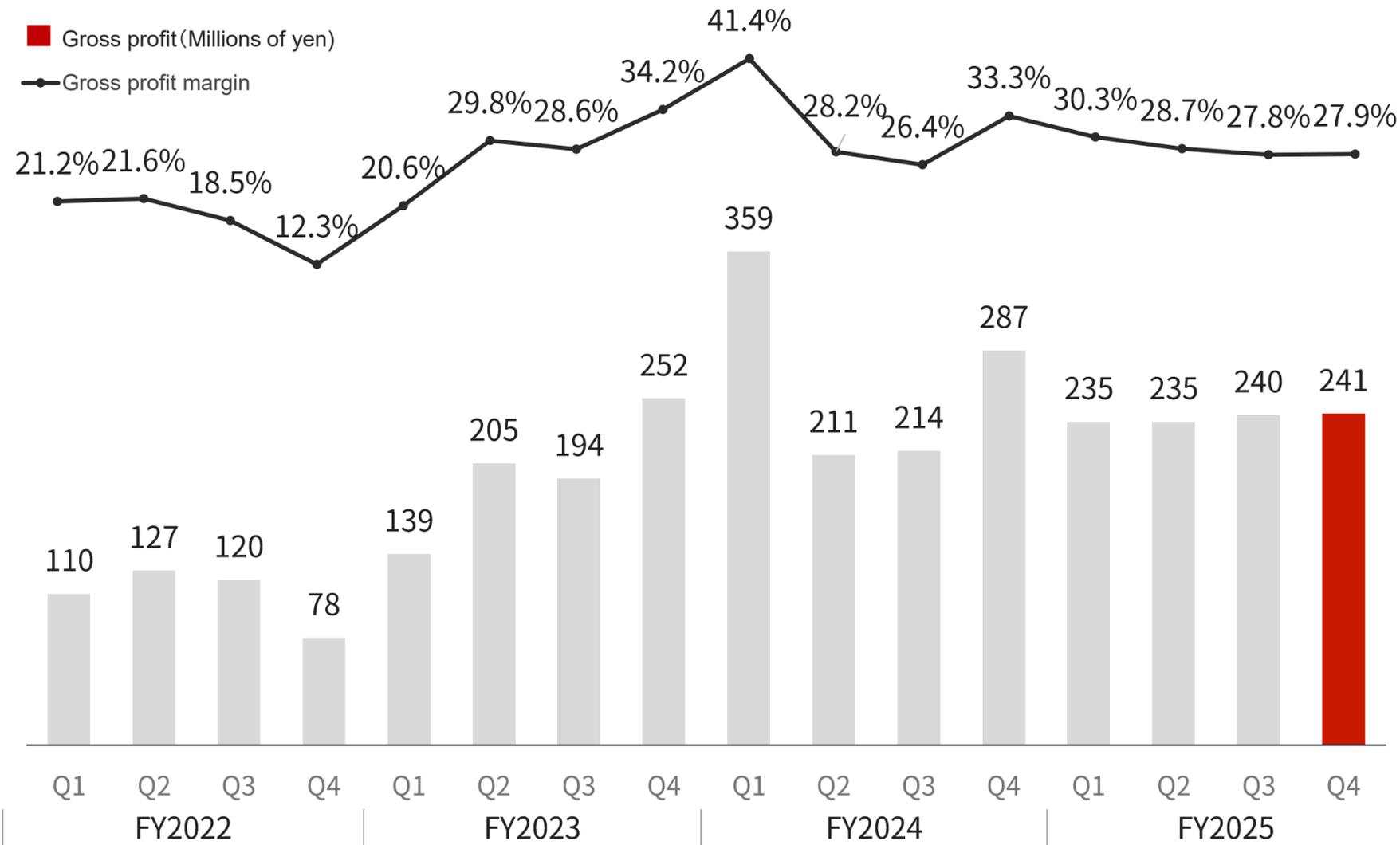
- ✓ GRC platform business maintained its significant growth, achieving 171.6% growth year-on-year
- ✓ Security solution and financial technology businesses recorded a decrease in net sales



\* Starting this fiscal year, the data is categorized by business segment and has been retroactively presented for previous years

# Quarterly Trends in Gross profit and Gross profit margin

✓ Gross profit margin was remained flat



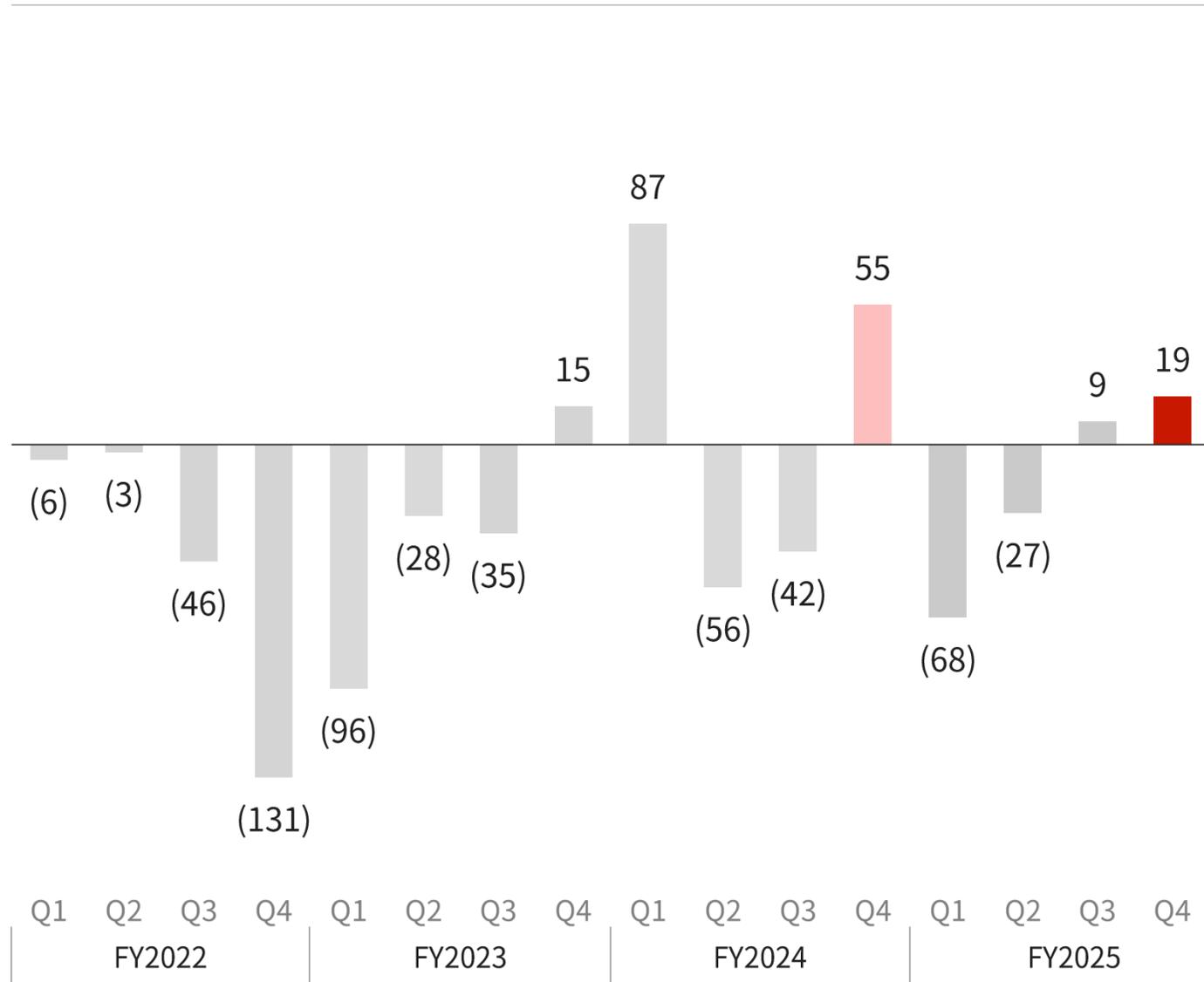
\*1 : GRCS shifted to consolidated accounting in Q3 FY2022

\*2 : Depreciation expenses for leased assets of servers for hosting services were recorded in Q4. These expenses will not be incurred in FY2026 due to the recognition of impairment losses.

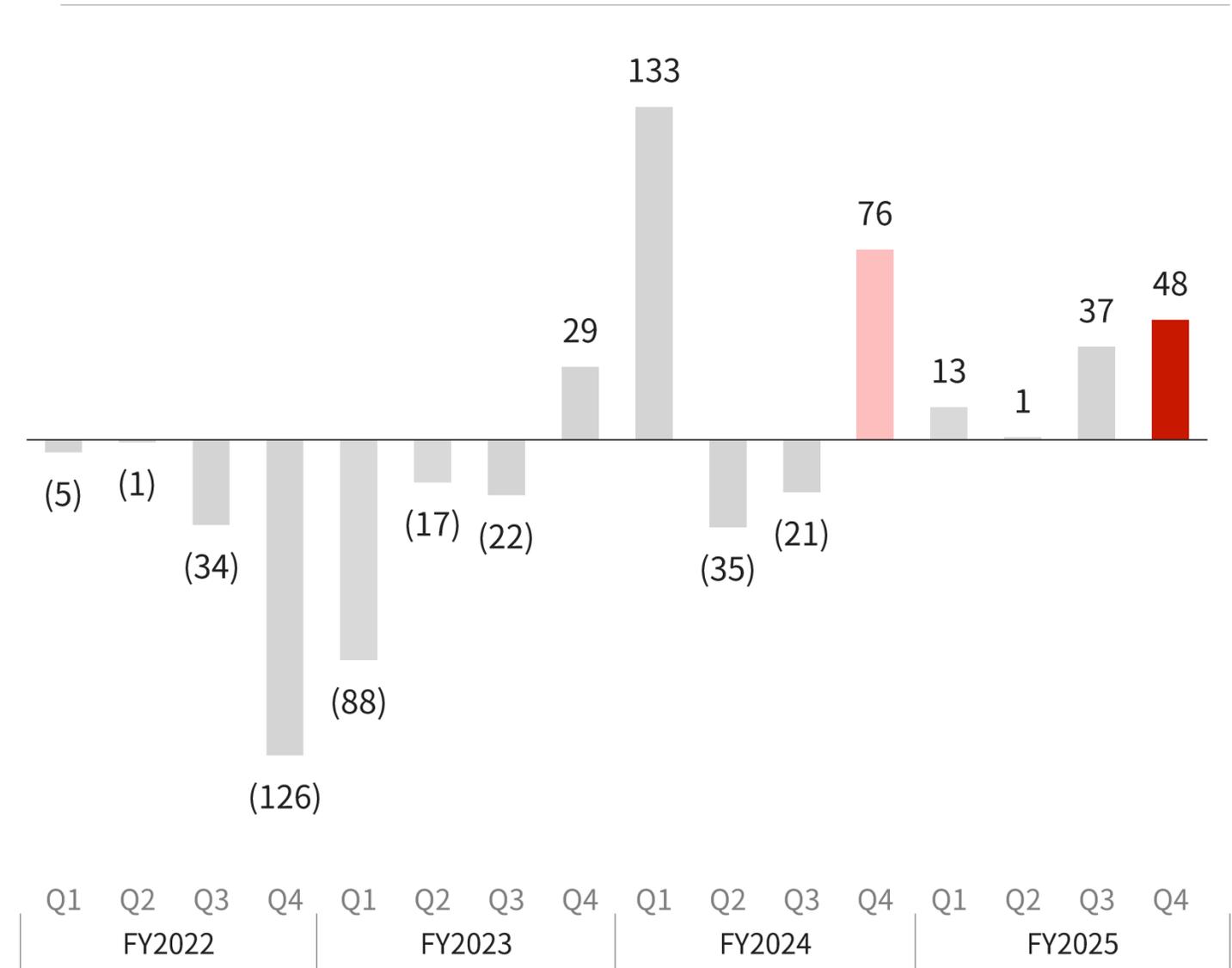
# Quarterly Trends in Operating Profit and EBITDA

- ✓ EBITDA, excluding goodwill amortization and similar items, remains positive
- ✓ Operating profit shows a recovering trend on a quarterly basis

Operating Profit (Millions of yen)



EBITDA (Millions of yen)

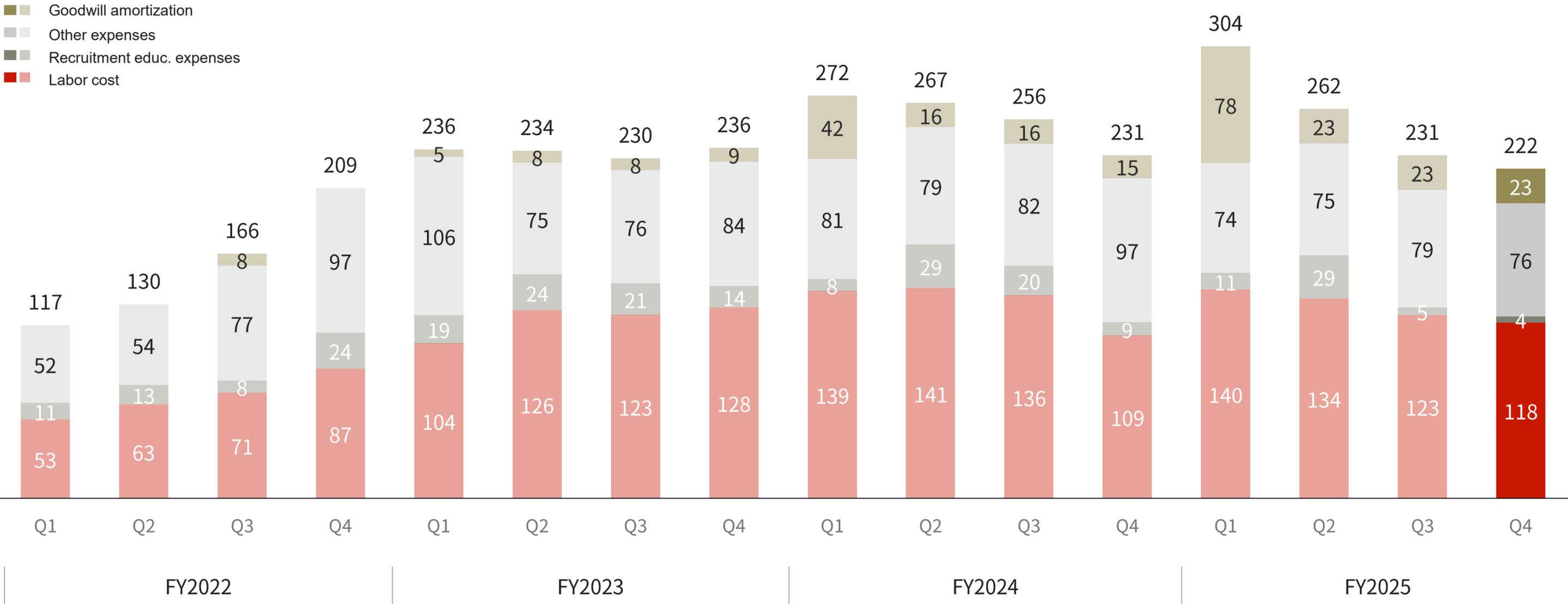


\*1 : GRCS shifted to consolidated accounting in Q3 FY2022

\*2 : EBITDA=Operating profit + Depreciation + Goodwill amortization

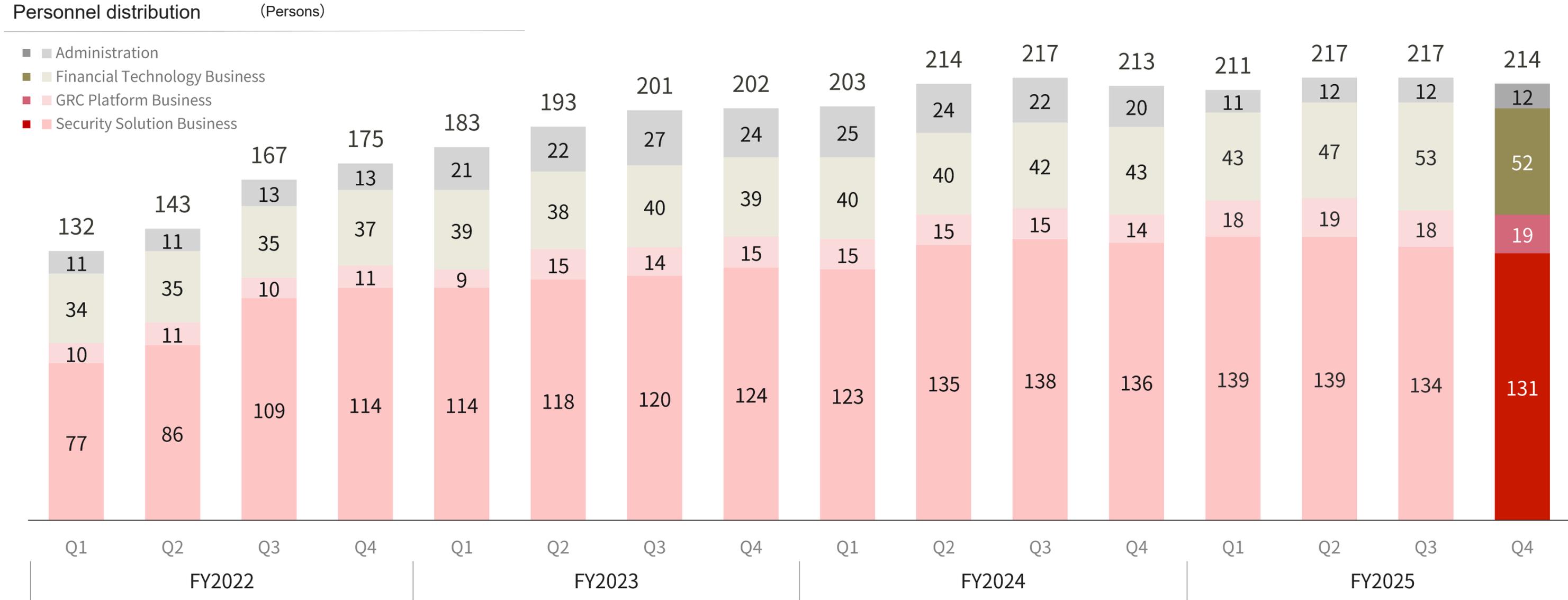
✓ Maintain efforts to optimize indirect costs

SG&A expenses (Millions of yen)



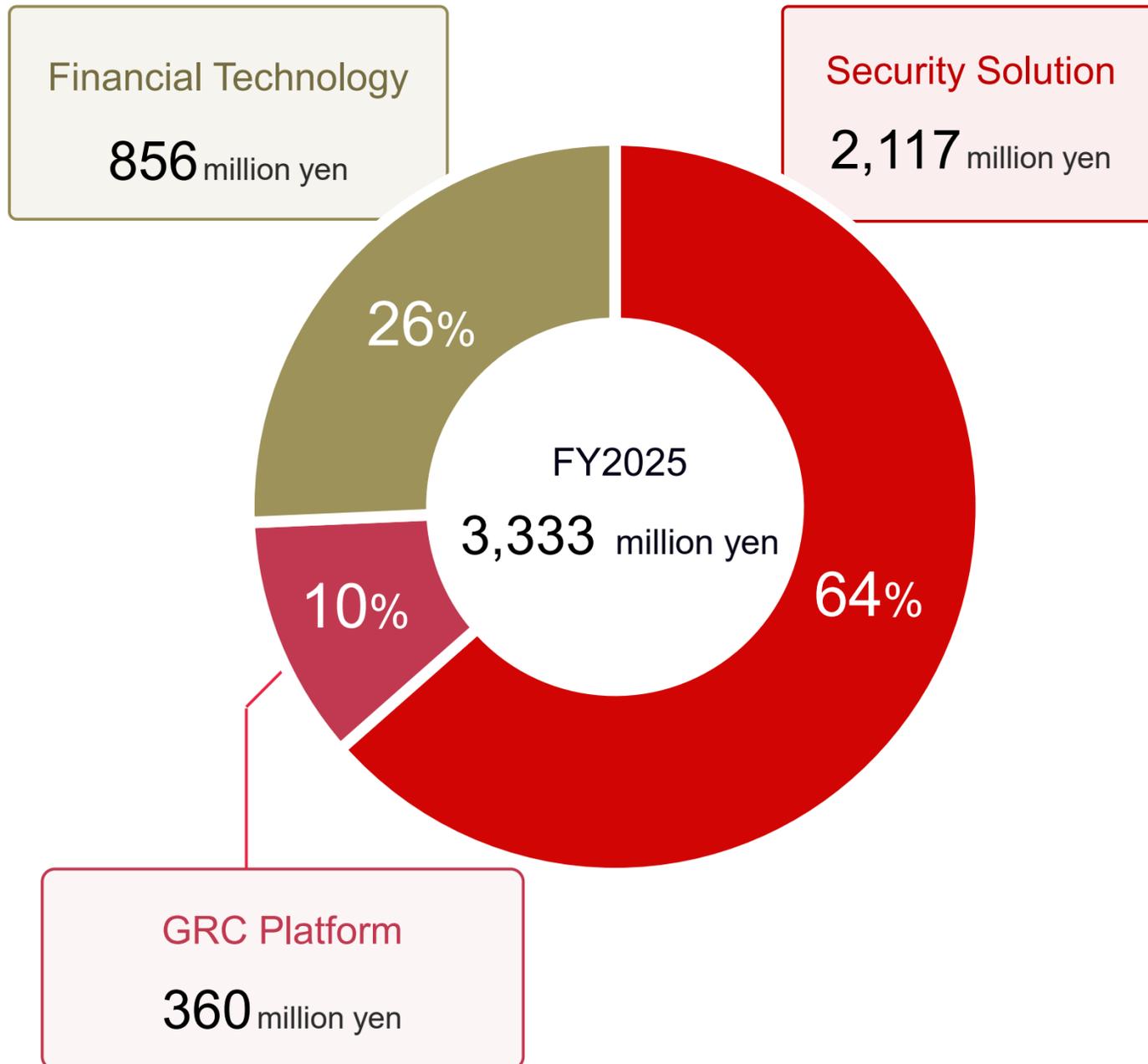
\* : GRCS shifted to consolidated accounting in Q3 FY2022

- ✓ Headcount decreased because recruitment could not offset natural attrition in security solution business
- ✓ Going forward, will continue to focus on steady recruitment based on the plan

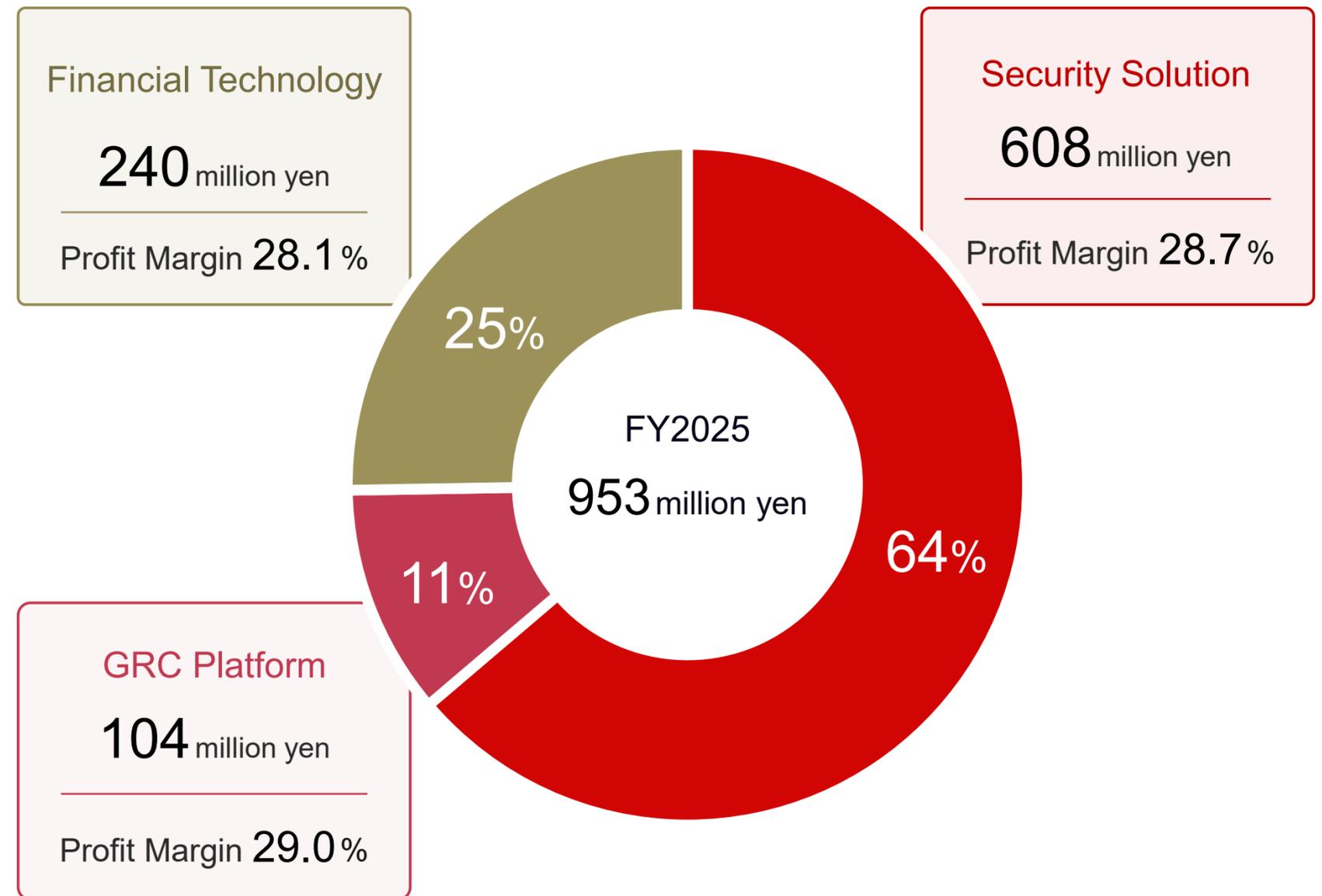


\* : GRCS shifted to consolidated accounting in Q3 FY2022

Revenue Composition

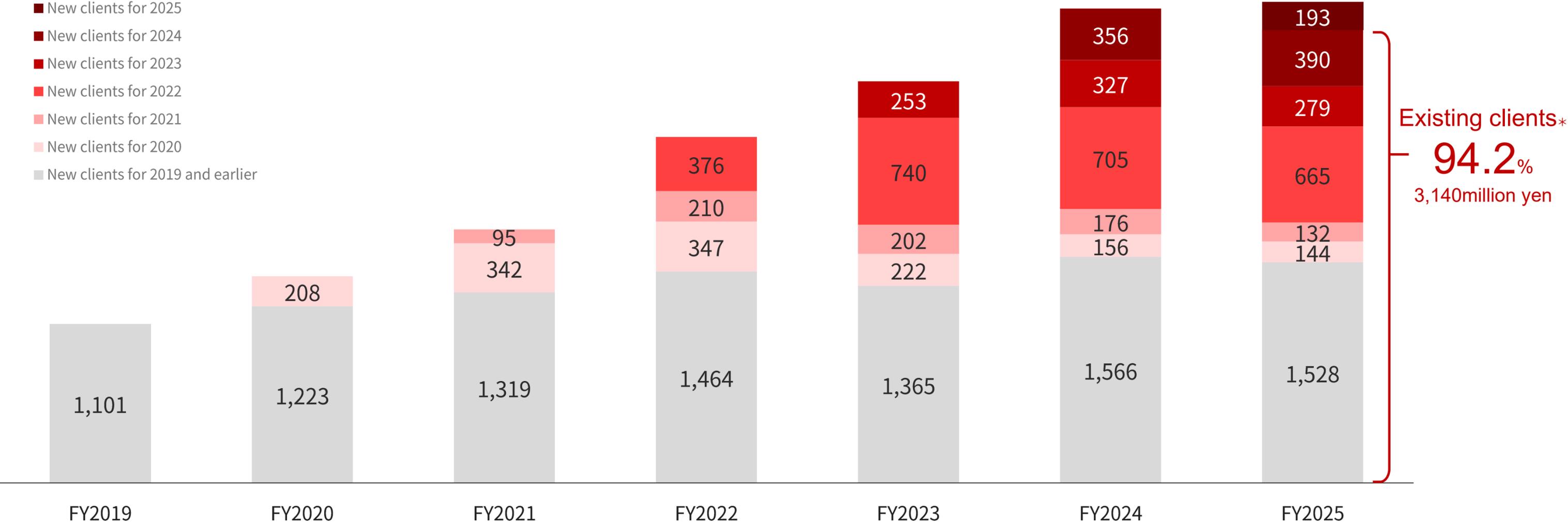


Gross Profit Composition



- ✓ Net sales steadily increased by upselling to the new clients acquired each year
- ✓ Continue operational support as an earning source and develop projects for new clients' demands
- ✓ The revenue structure follows a **recurring model** that generates continuous revenue from existing clients

Trends in sales to new clients (millions of yen)



\*1: Companies with which transactions started as new clients are defined as existing clients for the following fiscal year and thereafter

\*2: It is a numerical value that aggregates the progress of upselling to new clients regarding strategy [1] and strategy [2]

## Company Profile

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MISSION

Accelerate Evolution

VISION

Tech Makes It Simple

**Company name**

GRCS Inc.

**Founded**

March 2005

**Fiscal year**

November each year

**Paid-in capital**

50 million yen (as of April 14, 2025)

**Address**Palace Building 5F, 1-1-1 Marunouchi,  
Chiyoda-ku, Tokyo**Number of  
employees**

213 (as of November 30, 2025, consolidated)

**Officers**Yoshikazu Sasaki, President &  
Representative Director

Takuya Tsukamoto, Director

Ikue Tanaka, Director

Atsushi Mochizuki, Director

Keiichi Kubo, Outside Director

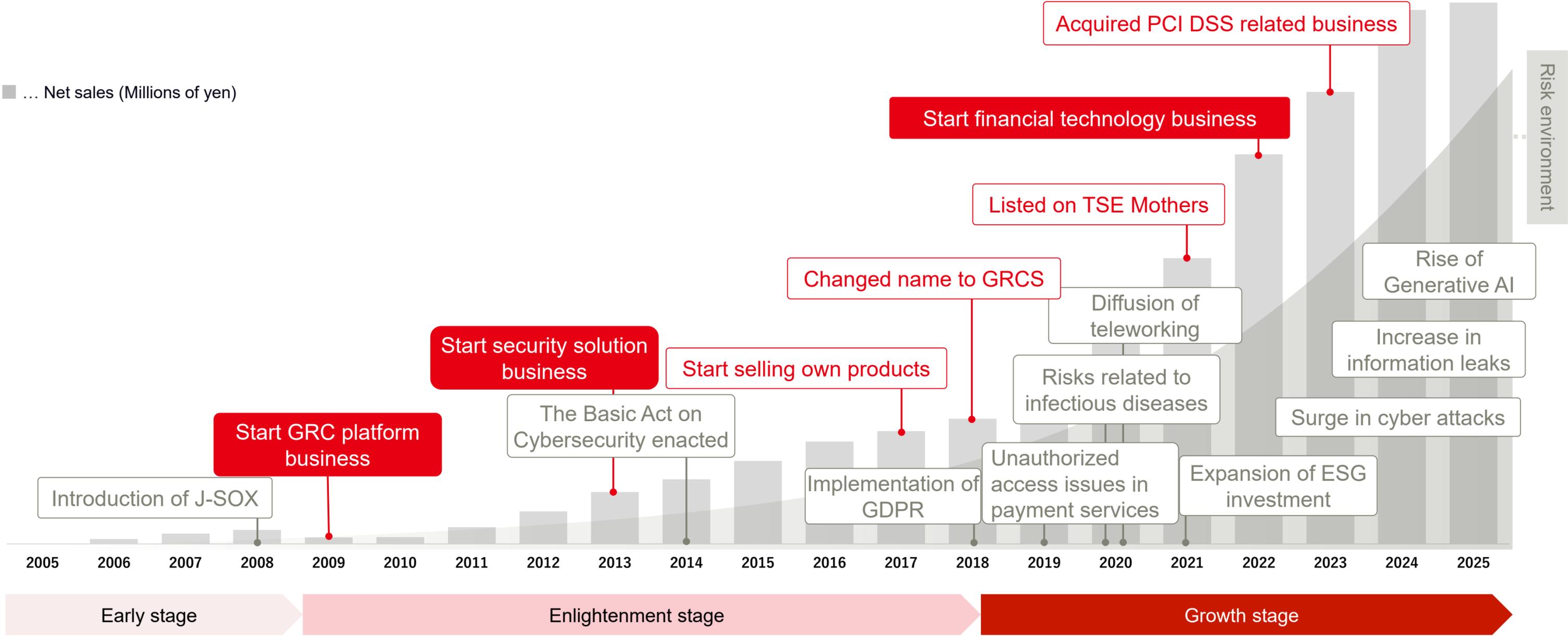
Osamu Yamano, Outside Director

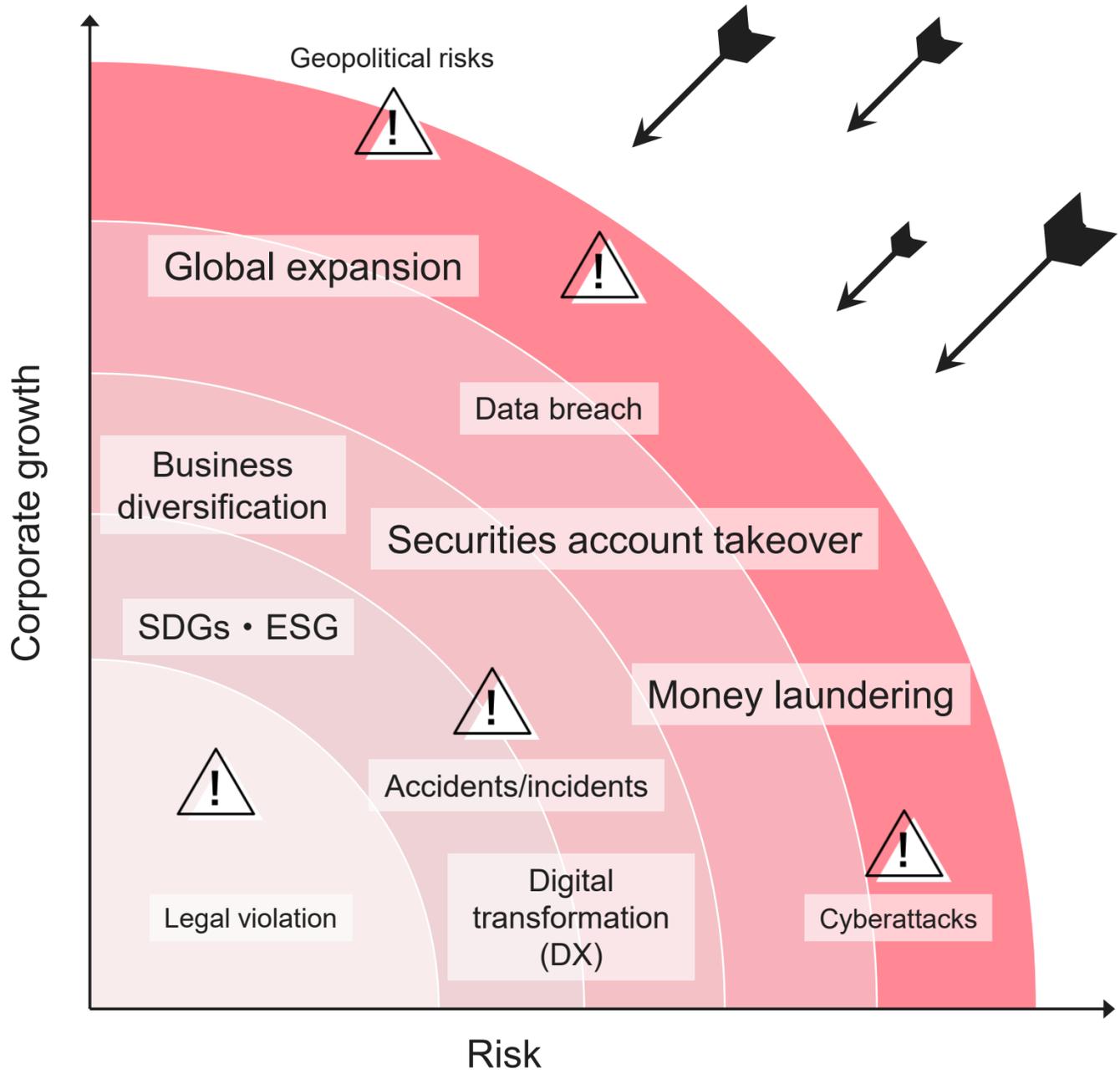
Hisato Sato, Auditor

Yasuo Shimada, Auditor

Shino Iga, Auditor

- ✓ Developed services in response to changing risk environments and achieved rapid growth
- ✓ **Achieved 16 consecutive years of sales growth**, beginning with the launch of the GRC business in 2009, followed by the security solution business in 2013, and the financial technology business in 2022





Companies are exposed to more risks as they grow

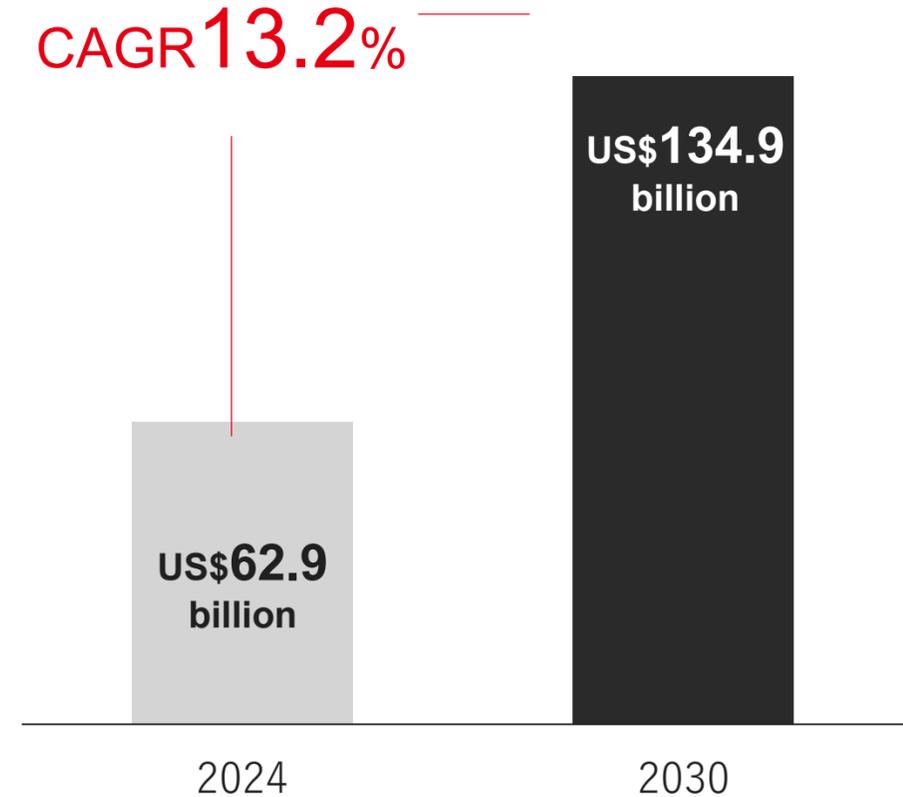
**Companies are inadequately organized to protect themselves**

GRCS helps businesses grow **most efficiently** by reducing risks

- G** Establish **governance** frameworks
- R** Reinforce **risk** management
- C** Enhance **compliance** mindset
- S** Support **security** measures

- ✓ No numerical figure is yet available for the domestic GRC market, but GRC and security controls are a pressing issue for Japanese companies
- ✓ The global GRC market is forecasted to grow by 13.2% annually on average; similar growth is anticipated for Japan

 Global GRC market\*



 Growth of Japanese GRC market

To catch up with the Western market, where GRC frameworks are already set in motion in business management, the Japanese market is likely to grow at a faster speed



A high-level risk management scheme is required due to compliance with overseas regulations or oversight by government agencies



Demand is strong from industries under stricter regulations



Finance



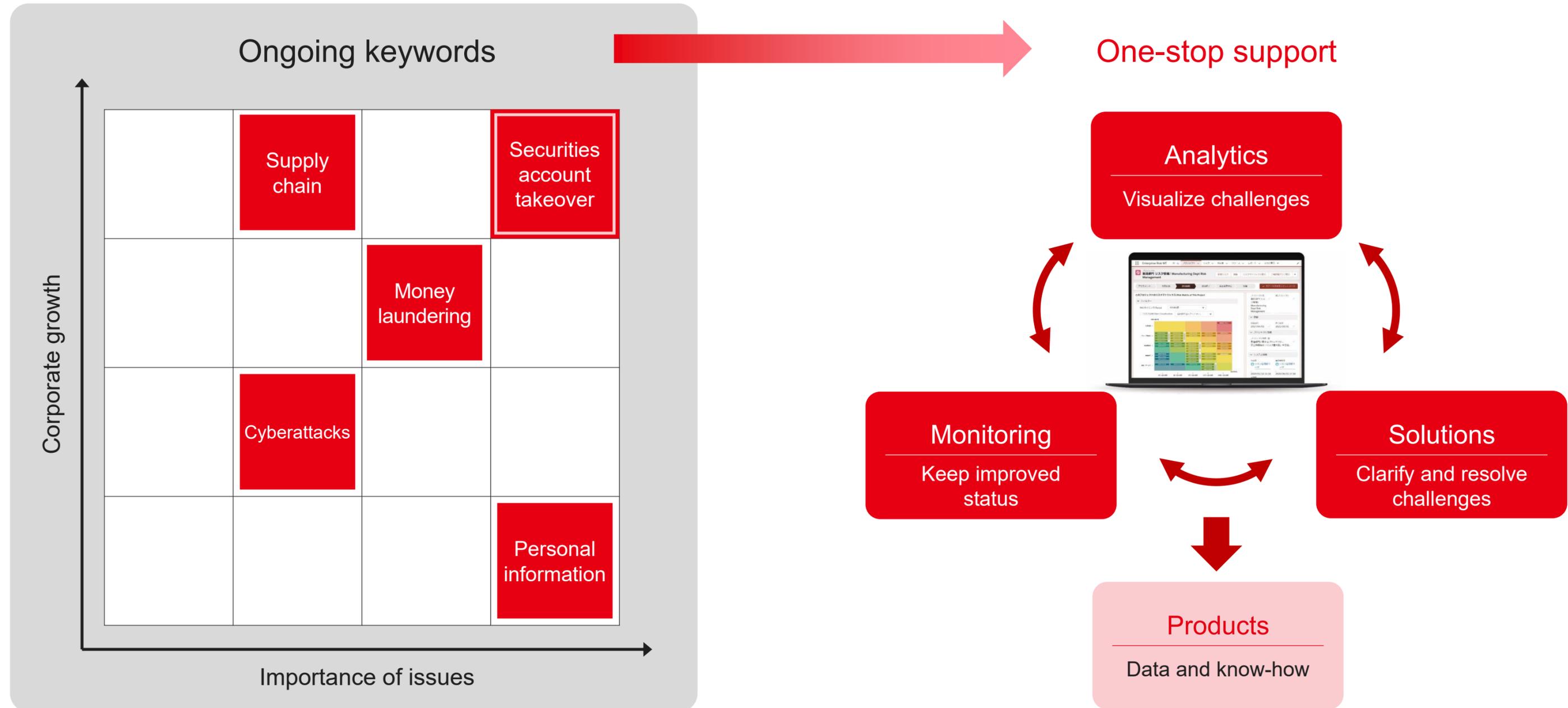
Telecom

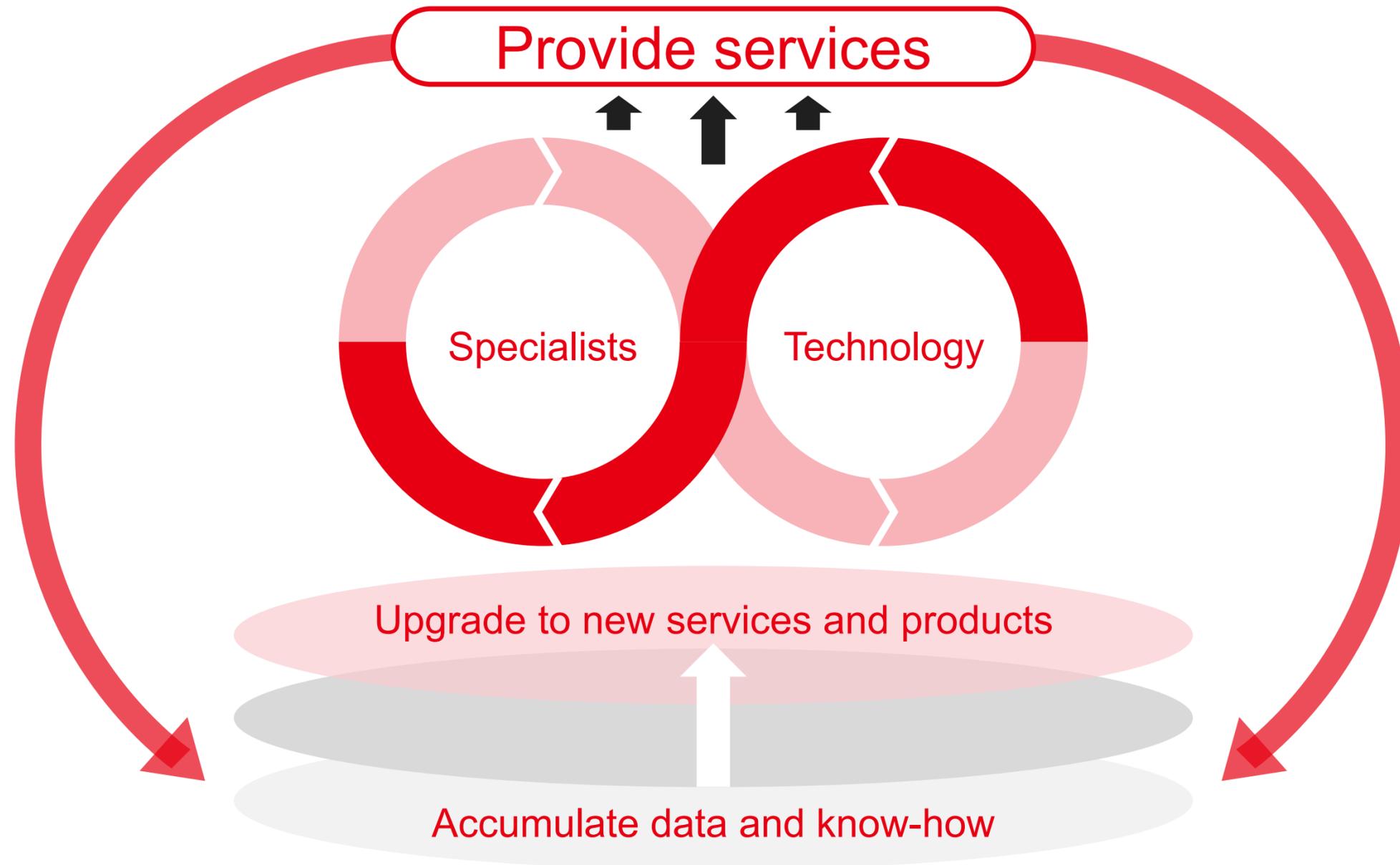


Global

\* : Prepared by GRCS based on the data from Grand View Research/Enterprise Governance, Risk & Compliance Market Size, Share & Trends Analysis Report By Component, By Software, By Services, By Organization Size, By Vertical, And Segment Forecasts, 2022 - 2030

- ✓ Utilize products for efficient and better enterprise information management and sharing ⇒ Visualize business challenges
- ✓ Offer comprehensive, one-stop support to analyze and resolve challenges and keep the improved status ⇒ Create more projects through continuous PDCA cycles





- ✓ About 200 in-house specialists
- ✓ A leading GRC specialist company in Japan
- ✓ Track record of over 15 years
- ✓ One-stop service provider
- ✓ Global Fin Tech

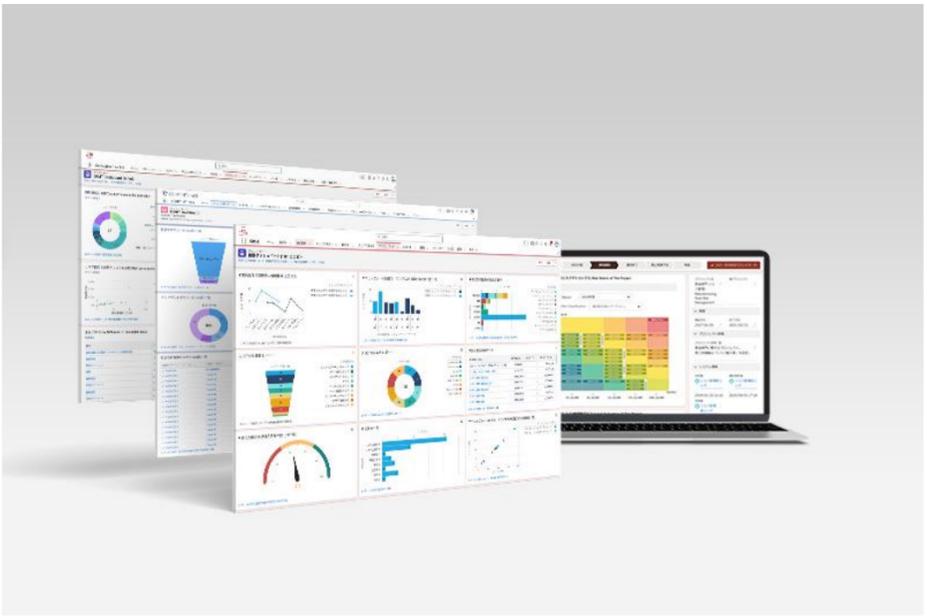
- ✓ Three businesses in the areas of Governance, Risk, and Compliance (GRC) and Security
- ✓ Leveraging competitive advantages by targeting the financial sector, telecommunications industry, and global corporations

Solution Business



Deployment of Security Experts  
Support for Selecting, Implementing,  
and Operating Security Products

Platform Business



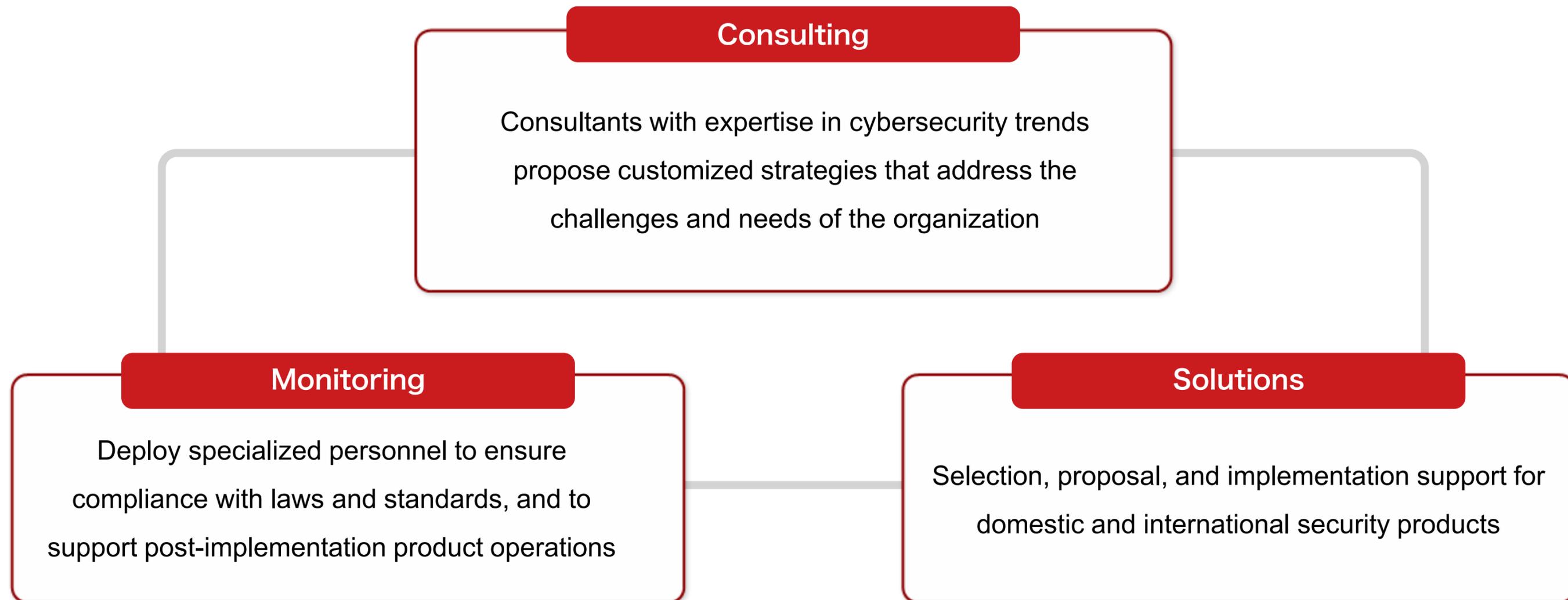
Providing cloud services to  
solve challenges in risk  
management

Financial Technology Business

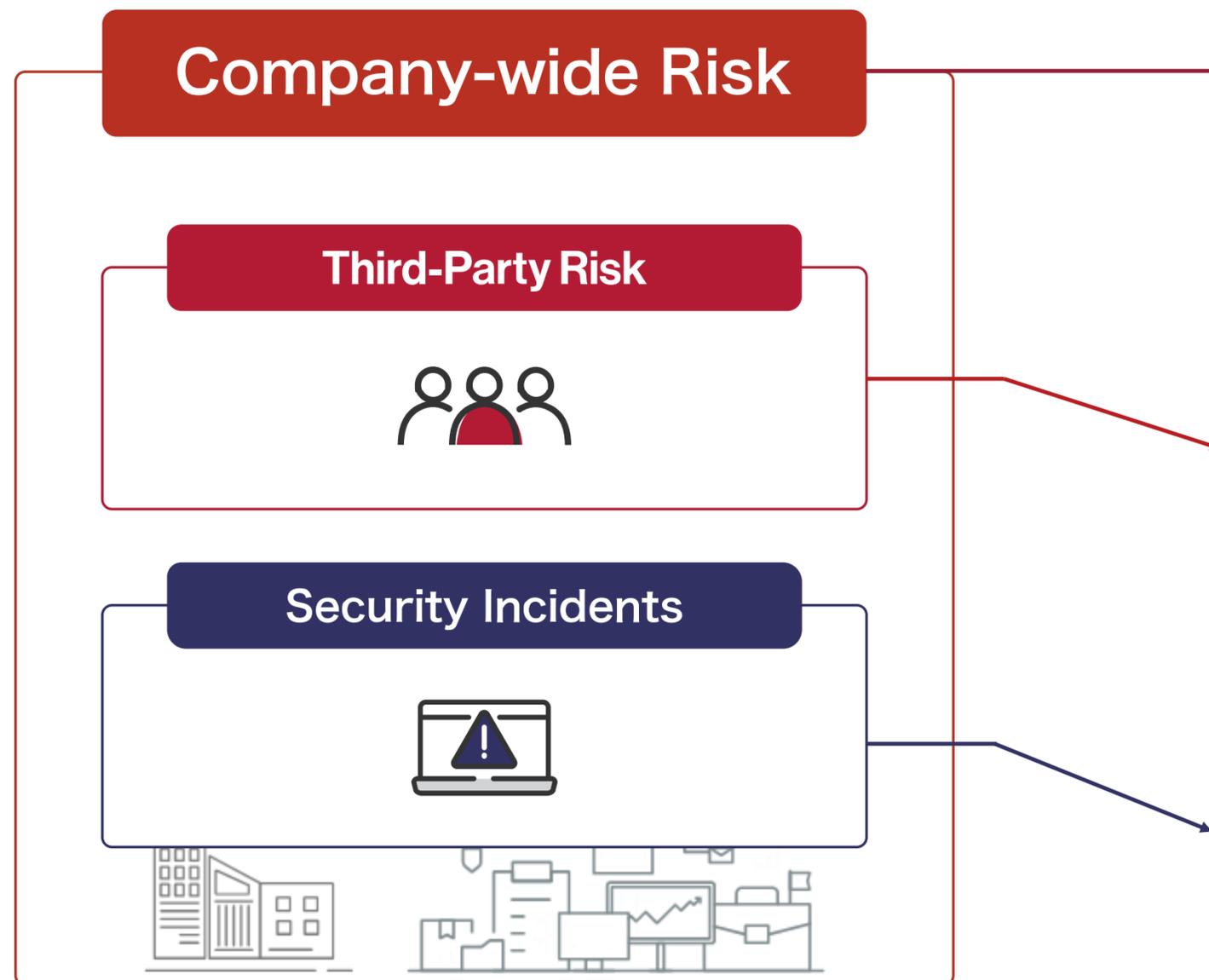


Development and sales of  
high-performance systems for  
financial markets

- ✓ Providing one-stop solutions, from identifying challenges and providing resolutions to offering continuous operational support
- ✓ Cybersecurity-focused solution business led by specialized experts



- ✓ Provide three risk management cloud services
- ✓ The No.1 GRC tool market share in Japan\*



**Domestically developed ERM cloud service for company-wide risk management**

## ENTERPRISE RISK MT

Comprehensive risk management covering a wide range of risks faced by companies, including cyber risks, natural disasters, human risks, foreign exchange, and more

**Cloud service for outsourced vendor risk management**

## SUPPLIER RISK MT

Simplify management of outsourced companies where leaks are likely to occur, implement digital transformation, and protect your company's information

**Cloud services optimized for CSIRT / SOC operations**

## CSIRT MT.mSS

Management of security incidents, alert history, and progress  
Designed for ease of use with a focus on cybersecurity

\* : See "2023 Future Prospects of Digital Technology to Realize DX/Web3.0" (Fuji Chimera Research Institute Co., Ltd.)

- ✓ Develop order management systems (OMS\*) and matching engines for the market divisions of financial institutions, primarily securities firms
- ✓ A team of engineers with extensive experience in global markets, along with a financial expertise team deeply knowledgeable about the Japanese market, delivers world-standard technology solutions tailored to the needs of Japanese financial institutions



World-standard Technology & Japanese Hospitality Services

\* : Order Management System



[www.grcs.co.jp](http://www.grcs.co.jp)