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November 13, 2026

Consolidated Financial Results for the Nine Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: SOURCENEXT CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 4344
URL: https://sourcenext.co.jp
Representative: Noriyuki Matsuda Representative Director, President 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. Consolidated financial results for the nine months ended September 30, 2026 (from January 1, 2026 to September 30, 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	%
September 30, 2026	8,476	-	(601)	-	(847)	-	(720)	-
December 31, 2025	-	-	-	-	-	-	-	-

Note: Comprehensive income For the nine months ended September 30, 2026: ¥ (1,167) million [-%]
For the nine months ended December 31, 2025: ¥ - million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2026	(5.21)	-
December 31, 2025	-	-

Note: Effective from the fiscal year ended December 31, 2025, the Company changed its fiscal year-end from March 31 to December 31. Due to this change, the Company did not prepare quarterly consolidated financial statements for the third quarter of the fiscal year ended December 31, 2025. Accordingly, the consolidated operating results (cumulative) for the nine months ended December 31, 2025 and the percentage changes from the same period of the previous year for the nine months ended September 30, 2026 are not presented.

[Reference] The following percentage changes (adjusted) are calculated by comparing the results for the current nine-month period with the results of the same period of the previous year (January 1, 2025 to September 30, 2025). (Millions of yen, %)

Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
8,722	(2.8)%	(2,322)	- %	(2,905)	- %	(2,741)	- %

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2026	12,813	5,848	37.2	34.48
December 31, 2025	14,544	6,787	38.3	40.33

Reference: Equity
As of September 30, 2026: ¥ 4,769 million
As of December 31, 2025: ¥ 5,577 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 December 31, 2025	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2026	-	0.00	-		
Fiscal year ending December 31, 2026 (Forecast)				-	-

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

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

Regarding the consolidated earnings forecast for the fiscal year ending December 31, 2026, we will continue to refrain from disclosing the forecast at this time because it is difficult to provide a highly accurate forecast.

*** 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: None

(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 September 30, 2026	139,115,100 shares
As of December 31, 2025	139,115,100 shares

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

As of September 30, 2026	800,125 shares
As of December 31, 2025	800,112 shares

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

Nine months ended September 30, 2026	138,314,978 shares
Nine months ended December 31, 2025	- shares

Note: Effective from the fiscal year ended December 31, 2025, the Company changed its fiscal year-end from March 31 to December 31. Due to this change, the Company did not prepare quarterly consolidated financial statements for the third quarter of the fiscal year ended December 31, 2025. Accordingly, the average number of shares outstanding during the period (cumulative) for the nine months ended December 31, 2025 is not presented.

* 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

(1) Statements regarding the future, such as performance forecasts, contained in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable. Actual results may differ significantly due to various factors.

(2) The financial results briefing materials will be promptly posted on our website today, November 13.
(URL of the Company's website) https://sourcenext.co.jp/ir-english/library/settlement

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	4,918,066	4,468,217
Accounts receivable - trade	1,592,216	1,290,065
Merchandise and finished goods	2,953,520	2,627,386
Raw materials and supplies	50,322	39,850
Advance payments to suppliers	410,696	237,469
Income taxes refund receivable	668	-
Other	379,201	233,209
Allowance for doubtful accounts	(1,870)	(1,173)
Total current assets	10,302,820	8,895,025
Non-current assets		
Property, plant and equipment		
Property, plant and equipment	289,290	326,531
Accumulated depreciation	(164,408)	(215,408)
Total property, plant and equipment	124,882	111,122
Intangible assets		
Software	1,201,002	1,047,992
Goodwill	-	252,069
Contract based intangible assets	457,201	-
Other	45,281	547,483
Total intangible assets	1,703,486	1,847,545
Investments and other assets		
Investment securities	2,372,989	1,930,414
Other	40,764	29,115
Total investments and other assets	2,413,754	1,959,529
Total non-current assets	4,242,123	3,918,197
Total assets	14,544,943	12,813,222

(Thousands of yen)

	As of December 31, 2025	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	461,758	605,412
Short-term borrowings	3,100,000	2,600,000
Current portion of long-term borrowings	318,912	273,504
Accounts payable - other	936,768	807,557
Income taxes payable	35,900	14,286
Unearned revenue	607,352	532,409
Provision for bonuses	8,707	6,473
Other	453,178	221,291
Total current liabilities	5,922,576	5,060,934
Non-current liabilities		
Bonds payable	-	250,000
Long-term borrowings	1,314,164	1,185,262
Long-term unearned revenue	451,473	420,219
Deferred tax liabilities	23,759	5,537
Other	45,446	43,089
Total non-current liabilities	1,834,844	1,904,108
Total liabilities	7,757,421	6,965,043
Net assets		
Shareholders' equity		
Share capital	4,009,527	4,009,527
Capital surplus	11,596,643	11,693,808
Retained earnings	(10,085,337)	(10,806,161)
Treasury shares	(163,142)	(163,144)
Total shareholders' equity	5,357,690	4,734,030
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	49,376	(189,279)
Foreign currency translation adjustment	170,832	224,580
Total accumulated other comprehensive income	220,208	35,301
Share acquisition rights	497,202	575,842
Non-controlling interests	712,420	503,004
Total net assets	6,787,522	5,848,179
Total liabilities and net assets	14,544,943	12,813,222

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Nine-Month Period

(Thousands of yen)

	For the nine months ended September 30, 2026
Net sales	8,476,769
Cost of sales	3,787,718
Gross profit	4,689,051
Selling, general and administrative expenses	5,290,684
Operating loss	(601,632)
Non-operating income	
Interest income	16,455
Dividend income	500
Foreign exchange gains	30,782
Gain on investments in silent partnerships	34,510
Interest subsidy	2,470
Other	4,683
Total non-operating income	89,402
Non-operating expenses	
Interest expenses	88,231
Share of loss of entities accounted for using equity method	199,128
Loss on investments in silent partnerships	45,201
Other	2,291
Total non-operating expenses	334,853
Ordinary loss	(847,084)
Extraordinary income	
Gain on reversal of share acquisition rights	16,068
Total extraordinary income	16,068
Extraordinary losses	
Business restructuring expenses	95,611
Loss on sale of businesses	12,920
Loss on cancellation of contract	43,659
Total extraordinary losses	152,191
Loss before income taxes	(983,206)
Income taxes - current	4,002
Total income taxes	4,002
Loss	(987,208)
Loss attributable to non-controlling interests	(266,384)
Loss attributable to owners of parent	(720,823)

Quarterly Consolidated Statement of Comprehensive Income

For the Nine-Month Period

(Thousands of yen)

	For the nine months ended September 30, 2026
Loss	(987,208)
Other comprehensive income	
Valuation difference on available-for-sale securities	(238,655)
Foreign currency translation adjustment	57,882
Total other comprehensive income	(180,773)
Comprehensive income	(1,167,982)
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	(905,730)
Comprehensive income attributable to non-controlling interests	(262,251)