July 15, 2026

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

Company name: GRCS Inc.
Listing: Tokyo Stock Exchange
Securities code: 9250
URL: https://www.grcs.co.jp/
Representative: Yoshikazu Sasaki, Representative Director and President
Inquiries: Ikue Tanaka, Director
Telephone: +81-3-6272-9191
Scheduled date to file semi-annual securities report: July 15, 2026
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None (Financial results briefing video)

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

1. Consolidated financial results for the six months ended May 31, 2026 (from December 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2026	1,743	8.8	(48)	-	(60)	-	(57)	-
May 31, 2025	1,601	(0.9)	(95)	-	(109)	-	(84)	-

Note: Comprehensive income For the six months ended May 31, 2026: ¥(57) million [-%]
For the six months ended May 31, 2025: ¥(84) million [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
May 31, 2026	(39.51)	-
May 31, 2025	(62.51)	-

Note: Interim net income per share after adjusting for potential shares is not shown because it is an interim net loss per share, although there are potential shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
May 31, 2026	1,753	3	(1.7)
November 30, 2025	1,713	(95)	(7.9)

Reference: Equity
As of May 31, 2026: ¥(29) million
As of November 30, 2025: ¥(136) 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 November 30, 2025	-	0.00	-	0.00	0.00
Fiscal year ending November 30, 2026	-	0.00			
Fiscal year ending November 30, 2026 (Forecast)				0.00	0.00

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

3. Forecast of consolidated financial results for the fiscal year ending November 30, 2026 (from December 1, 2025 to November 30, 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
Fiscal year ending November 30, 2026	3,678	10.3	119	-	100	-	67	-	50.33

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (GRCS Technologies, Inc.)
Excluded: 1 company (Valurate Inc.)

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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: Yes
(iv) Restatement: None

Note: For details, please refer to Appendix P.9 "2. Interim Consolidated Financial Statements and Major Notes (4) Notes on Interim Consolidated Financial Statements (Notes on Changes to Accounting Estimates)" in Details.

(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	1,526,530 shares
As of November 30, 2025	1,380,130 shares

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

As of May 31, 2026	29,803 shares
As of November 30, 2025	29,803 shares

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

Six months ended May 31, 2026	1,445,560 shares
Six months ended May 31, 2025	1,350,327 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for the use of earnings forecasts, please refer to Appendix P.3 "1. Qualitative Information on the Interim Financial Results (4) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

(How to obtain supplementary financial results briefing materials and financial results explanation videos)

Financial results briefing materials are disclosed on TDnet on the same day and posted on the Company's website. In addition, a video explaining the financial results will be posted on the Company's website on the same day.

Semi-annual consolidated balance sheet

(Thousands of yen)

	As of November 30, 2025	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	530,760	448,296
Accounts receivable - trade and contract assets	426,018	462,091
Work in process	6,113	2,248
Prepaid expenses	105,591	194,316
Other	1,395	2,889
Total current assets	1,069,878	1,109,842
Non-current assets		
Property, plant and equipment		
Buildings, net	47,095	52,990
Tools, furniture and fixtures, net	8,944	19,734
Total property, plant and equipment	56,040	72,724
Intangible assets		
Software	106,711	94,960
Software in progress	-	42,832
Goodwill	391,041	343,863
Customer-related intangible assets	11,083	10,383
Total intangible assets	508,836	492,039
Investments and other assets		
Long-term prepaid expenses	969	1,656
Distressed receivables	-	220
Deferred tax assets	36,958	35,403
Guarantee deposits	39,336	40,349
Other	1,750	1,750
Allowance for doubtful accounts	-	(220)
Total investments and other assets	79,014	79,160
Total non-current assets	643,891	643,925
Total assets	1,713,769	1,753,767

(Thousands of yen)

	As of November 30, 2025	As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	114,381	125,559
Current portion of bonds payable	48,000	48,000
Current portion of long-term borrowings	210,100	198,821
Lease liabilities	90,644	48,397
Accounts payable - other	-	100,000
Accrued expenses	229,672	212,200
Income taxes payable	452	6,916
Accrued consumption taxes	44,088	22,720
Contract liabilities	167,481	302,277
Deposits received	22,975	22,829
Provision for bonuses	-	5,706
Total current liabilities	927,795	1,093,429
Non-current liabilities		
Bonds payable	128,000	104,000
Long-term borrowings	347,793	284,307
Lease liabilities	179,555	140,586
Asset retirement obligations	18,146	27,673
Long-term accounts payable - other	100,000	-
Provision for business restructuring	108,416	99,792
Total non-current liabilities	881,911	656,358
Total liabilities	1,809,707	1,749,787
Net assets		
Shareholders' equity		
Share capital	50,000	131,767
Capital surplus	627,864	723,218
Retained earnings	(714,306)	(785,003)
Treasury shares	(99,718)	(99,718)
Total shareholders' equity	(136,159)	(29,736)
Share acquisition rights	40,222	33,715
Total net assets	(95,937)	3,979
Total liabilities and net assets	1,713,769	1,753,767

Semi-annual consolidated statement of income

(Thousands of yen)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Net sales	1,601,906	1,743,000
Cost of sales	1,130,291	1,283,604
Gross profit	471,615	459,396
Selling, general and administrative expenses	567,467	507,825
Operating loss	(95,852)	(48,428)
Non-operating income		
Interest income	250	497
Commission income	151	181
Other	0	203
Total non-operating income	402	883
Non-operating expenses		
Interest expenses	5,117	7,322
Bond issuance costs	4,268	-
Foreign Withholding Tax	2,671	-
Foreign exchange losses	1,699	5,227
Other	517	654
Total non-operating expenses	14,275	13,204
Ordinary loss	(109,726)	(60,749)
Extraordinary income		
Gain on reversal of share acquisition rights	-	2,184
Reversal of provision for business restructuring	-	3,520
Total extraordinary income	-	5,704
Loss before income taxes	(109,726)	(55,044)
Income taxes - current	1,786	510
Income taxes - deferred	(27,100)	1,554
Total income taxes	(25,313)	2,065
Loss	(84,412)	(57,110)
Loss attributable to owners of parent	(84,412)	(57,110)

Semi-annual consolidated statement of comprehensive income

(Thousands of yen)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Loss	(84,412)	(57,110)
Comprehensive income	(84,412)	(57,110)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(84,412)	(57,110)
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual consolidated statement of cash flows

(Thousands of yen)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Cash flows from operating activities		
Loss before income taxes	(109,726)	(55,044)
Depreciation	9,857	19,932
Amortization of goodwill	101,940	47,178
Share-based payment expenses	12,864	5,434
Interest income	(250)	(497)
Interest expenses	5,117	7,322
Foreign exchange losses (gains)	1,933	2,208
Increase (decrease) in allowance for doubtful accounts	(4,493)	-
Decrease (increase) in trade receivables	(6,683)	(36,072)
Decrease (increase) in inventories	826	3,864
Increase (decrease) in trade payables	(21,154)	(20,107)
Increase (decrease) in provision for bonuses	32,230	5,706
Increase (decrease) in provision for business restructuring	-	(26,664)
Increase (decrease) in contract liabilities	80,337	134,796
Increase (decrease) in accrued expenses	(62,318)	(22,104)
Increase (decrease) in accrued consumption taxes	(55,575)	(21,367)
Decrease (increase) in prepaid expenses	(75,495)	(88,369)
Decrease (increase) in other assets	2,907	(1,494)
Increase (decrease) in other liabilities	246	(146)
Other, net	(2,287)	4,358
Subtotal	(89,721)	(41,068)
Interest received	250	497
Interest paid	(5,033)	(8,193)
Income taxes paid	(24,863)	(545)
Net cash provided by (used in) operating activities	(119,367)	(49,310)
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,578)	(10,049)
Purchase of intangible assets	(57,801)	(11,698)
Payments for acquisition of businesses	(200,000)	-
Purchase of long-term prepaid expenses	-	(1,039)
Payments of guarantee deposits	(72)	(952)
Other, net	-	35
Net cash provided by (used in) investing activities	(264,451)	(23,704)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	54,998	-
Proceeds from long-term borrowings	200,000	60,000
Repayments of long-term borrowings	(109,801)	(134,765)
Proceeds from issuance of bonds	136,136	-
Redemption of bonds	(10,000)	(24,000)
Proceeds from issuance of shares	-	96,715
Proceeds from issuance of subscription rights to share	-	57,062
Repayments of lease liabilities	-	(62,208)
Net cash provided by (used in) financing activities	271,333	(7,195)
Effect of exchange rate change on cash and cash equivalents	(2,277)	(2,253)
Net increase (decrease) in cash and cash equivalents	(114,763)	(82,463)
Cash and cash equivalents at beginning of period	740,032	530,760
Cash and cash equivalents at end of period	625,268	448,296

(Notes on segment information, etc.)

Segment Information

Since the Group is a single segment of the GRC Solutions business, it is omitted.