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November 7, 2025

Consolidated Financial Results for the Fiscal Year Ended September 30, 2025 (Under Japanese GAAP)

Company name: HENNGE K.K.

Listing: Tokyo Stock Exchange

Securities code: 4475

URL: <https://hennge.com/jp/>

Representative: Kazuhiro Ogura

Inquiries: Ryo Kobayashi

Telephone: +81-3-6415-3660

Representative Director, Chief Executive Officer

Executive Officer

Scheduled date of annual general meeting of shareholders: December 24, 2025

Scheduled date to commence dividend payments: December 26, 2025

Scheduled date to file annual securities report: December 24, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded to the nearest million, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended September 30, 2025 (from October 1, 2024 to September 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended September 30, 2025	10,924	30.6	1,793	76.7	1,854	85.4	1,358	64.2
September 30, 2024	8,365	23.5	1,015	43.4	1,000	40.3	827	62.6

Note: Comprehensive income For the fiscal year ended September 30, 2025: ¥ 1,324 million [98.2%]
For the fiscal year ended September 30, 2024: ¥ 668 million [20.8%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended September 30, 2025	42.40	42.27	40.6	19.5	16.4
September 30, 2024	25.67	25.64	31.1	13.7	12.1

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended September 30, 2025: ¥ - million

For the fiscal year ended September 30, 2024: ¥ - million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2025	10,742	3,844	35.0	118.13
September 30, 2024	8,285	2,987	35.4	91.22

Reference: Equity

As of September 30, 2025: ¥ 3,762 million

As of September 30, 2024: ¥ 2,931 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended September 30, 2025	2,726	(1,334)	(417)	7,319
September 30, 2024	1,930	(35)	(151)	6,328

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended September 30, 2024	-	0.00	-	3.00	3.00	96	11.7	3.6
Fiscal year ended September 30, 2025	-	0.00	-	5.00	5.00	159	11.8	4.8
Fiscal year ending September 30, 2026 (Forecast)	-	3.00	-	3.00	6.00		12.0	

3. Consolidated financial result forecasts for the fiscal year ending September 30, 2026 (from October 1, 2025 to September 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
Full year	12,834	17.5	2,057	14.7	2,073	11.9	1,595	17.4	50.06

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
- Newly included: 1 companies(HENNGE Inc.)
- Excluded: - companies()

- (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: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

- (3) 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, 2025	32,500,600 shares
As of September 30, 2024	32,500,600 shares

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

As of September 30, 2025	650,532 shares
As of September 30, 2024	366,654 shares

- (iii) Average number of shares outstanding during the period

Fiscal Year ended September 30, 2025	32,037,070 shares
Fiscal Year ended September 30, 2024	32,227,659 shares

[Reference] Overview of non-consolidated financial results**1. Non-consolidated financial results for the fiscal year ended September 30, 2025 (from October 1, 2024 to September 30, 2025)****(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	10,887	30.6	1,924	85.0	1,997	94.5	1,423	104.4
September 30, 2024	8,337	23.5	1,040	38.4	1,027	35.1	696	25.2

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
September 30, 2025	44.41	44.28
September 30, 2024	21.60	21.57

(2) Non-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, 2025	10,666	3,949	35.8	119.87
September 30, 2024	8,268	2,987	35.5	91.23

Reference: Equity

As of September 30, 2025: ¥ 3,818 million

As of September 30, 2024: ¥ 2,932 million

(Reasons for differences in non-consolidated financial results from the previous fiscal year)

Net sales have overachieved that of previous fiscal year. This was primarily due to factors such as acquiring new orders, including large contracts for HENNGE One, and successfully maintaining a low churn rate.

Regarding profits, although we have actively invested in the initiatives, such as, strengthening our talent acquisition capabilities and sales activities, such as, nurturing events aimed at future ARR growth, as a result of increased net sales and other factors, profits have overachieved that of previous fiscal year.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Remarks on the description on future forecast)

The forward-looking statements such as future forecasts contained in this statement summary are based on information currently available to us and certain assumptions which are regarded as legitimate. However, it does not mean that we guarantee its achievement. Actual results may differ from such forward-looking statements for a variety of reasons.

Consolidated Financial Statements and Primary Notes

Consolidated Balance Sheet

(Thousands of yen)

	As of September 30, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	6,327,872	7,319,041
Accounts receivable - trade	186,947	190,578
Prepaid expenses	403,932	535,878
Other	802	59,978
Total current assets	6,919,552	8,105,475
Non-current assets		
Property, plant and equipment		
Buildings	331,094	382,565
Accumulated depreciation	(79,263)	(125,747)
Buildings, net	251,831	256,818
Tools, furniture and fixtures	133,448	114,378
Accumulated depreciation	(97,754)	(73,838)
Tools, furniture and fixtures, net	35,695	40,541
Construction in progress	2,539	2,430
Total property, plant and equipment	290,064	299,789
Intangible assets		
Software	30,495	26,960
Software in progress	12,588	45,579
Total intangible assets	43,083	72,538
Investments and other assets		
Investment securities	460,110	1,356,746
Deferred tax assets	144,378	218,139
Leasehold and guarantee deposits	282,142	662,114
Other	145,897	27,652
Total investments and other assets	1,032,527	2,264,651
Total non-current assets	1,365,675	2,636,978
Total assets	8,285,227	10,742,453

(Thousands of yen)

	As of September 30, 2024	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	38,206	42,368
Accounts payable - other	468,086	437,411
Income taxes payable	280,848	484,263
Contract liabilities	3,702,787	4,680,435
Provision for bonuses	294,488	447,091
Other	308,338	444,900
Total current liabilities	5,092,752	6,536,469
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	-	148,146
Asset retirement obligations	159,549	210,891
Other	46,258	2,963
Total non-current liabilities	205,807	361,999
Total liabilities	5,298,559	6,898,468
Net assets		
Shareholders' equity		
Share capital	521,191	521,191
Capital surplus	489,269	493,432
Retained earnings	2,304,360	3,566,370
Treasury shares	(384,662)	(835,649)
Total shareholders' equity	2,930,157	3,745,343
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-	2,873
Deferred gains or losses on hedges	-	3,825
Foreign currency translation adjustment	974	10,378
Total accumulated other comprehensive income	974	17,077
Share acquisition rights	55,537	131,083
Non-controlling interests	-	(49,518)
Total net assets	2,986,668	3,843,985
Total liabilities and net assets	8,285,227	10,742,453

Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
Net sales	8,364,548	10,923,564
Cost of sales	1,329,165	1,478,479
Gross profit	7,035,383	9,445,085
Selling, general and administrative expenses	6,020,474	7,651,634
Operating profit	1,014,909	1,793,451
Non-operating income		
Interest income	585	18,914
Dividend income	-	62
Foreign exchange gains	35,391	-
Gain on valuation of derivatives	-	59,067
Gain on investments in investment partnerships	-	4,677
Other	60	817
Total non-operating income	36,036	83,536
Non-operating expenses		
Interest expenses	-	2,910
Foreign exchange losses	-	13,854
Loss on investments in investment partnerships	11,182	-
Loss on valuation of investment securities	273	4,667
Loss on valuation of derivatives	39,257	-
Other	451	2,048
Total non-operating expenses	51,163	23,480
Ordinary profit	999,781	1,853,508
Extraordinary income		
Gain on sale of investment securities	181,371	-
Total extraordinary income	181,371	-
Profit before income taxes	1,181,152	1,853,508
Income taxes - current	366,017	627,106
Income taxes - deferred	(12,276)	(75,083)
Total income taxes	353,741	552,023
Profit	827,410	1,301,485
Loss attributable to non-controlling interests	-	(56,927)
Profit attributable to owners of parent	827,410	1,358,412

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
Profit	827,410	1,301,485
Other comprehensive income		
Valuation difference on available-for-sale securities	(157,707)	2,873
Deferred gains or losses on hedges	-	3,825
Foreign currency translation adjustment	(1,430)	16,086
Total other comprehensive income	(159,137)	22,785
Comprehensive income	668,273	1,324,269
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	668,273	1,374,514
Comprehensive income attributable to non-controlling interests	-	(50,245)

Consolidated Statement of Changes in Equity
For the fiscal year ended September 30, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	521,191	486,891	1,476,949	(251,863)	2,233,167
Changes during period					
Dividends of surplus					
Profit attributable to owners of parent			827,410		827,410
Purchase of treasury shares				(150,527)	(150,527)
Disposal of treasury shares		2,378		17,728	20,106
Net changes in items other than shareholders' equity					
Total changes during period	-	2,378	827,410	(132,799)	696,990
Balance at end of period	521,191	489,269	2,304,360	(384,662)	2,930,157

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	157,707	2,404	160,112	21,997	2,415,276
Changes during period					
Dividends of surplus					-
Profit attributable to owners of parent					827,410
Purchase of treasury shares					(150,527)
Disposal of treasury shares					20,106
Net changes in items other than shareholders' equity	(157,707)	(1,430)	(159,137)	33,540	(125,597)
Total changes during period	(157,707)	(1,430)	(159,137)	33,540	571,393
Balance at end of period	-	974	974	55,537	2,986,668

For the fiscal year ended September 30, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	521,191	489,269	2,304,360	(384,662)	2,930,157
Changes during period					
Dividends of surplus			(96,402)		(96,402)
Profit attributable to owners of parent			1,358,412		1,358,412
Purchase of treasury shares				(467,997)	(467,997)
Disposal of treasury shares		4,163		17,010	21,173
Net changes in items other than shareholders' equity					
Total changes during period	-	4,163	1,262,010	(450,987)	815,186
Balance at end of period	521,191	493,432	3,566,370	(835,649)	3,745,343

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	-	-	974	974	55,537	-	2,986,668
Changes during period							
Dividends of surplus							(96,402)
Profit attributable to owners of parent							1,358,412
Purchase of treasury shares							(467,997)
Disposal of treasury shares							21,173
Net changes in items other than shareholders' equity	2,873	3,825	9,404	16,103	75,546	(49,518)	42,131
Total changes during period	2,873	3,825	9,404	16,103	75,546	(49,518)	857,317
Balance at end of period	2,873	3,825	10,378	17,077	131,083	(49,518)	3,843,985

Consolidated Statement of Cash Flows

(Thousands of yen)

	For the fiscal year ended September 30, 2024	For the fiscal year ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,181,152	1,853,508
Depreciation	40,014	74,550
Increase (decrease) in provision for bonuses	81,669	152,604
Interest and dividend income	(585)	(18,976)
Loss (gain) on sale of investment securities	(181,371)	-
Loss (gain) on valuation of derivatives	39,257	(59,067)
Loss (gain) on investments in investment partnerships	11,182	(4,677)
Decrease (increase) in trade receivables	(16,991)	(3,631)
Decrease (increase) in prepaid expenses	(70,859)	(131,051)
Decrease (increase) in long-term prepaid expenses	(67,092)	113,695
Increase (decrease) in trade payables	9,057	4,162
Increase (decrease) in accounts payable - other	111,302	(29,838)
Increase (decrease) in contract liabilities	911,371	977,649
Other, net	163,681	219,982
Subtotal	2,211,787	3,148,910
Interest and dividends received	585	12,090
Income taxes paid	(282,527)	(435,324)
Net cash provided by (used in) operating activities	1,929,844	2,725,676
Cash flows from investing activities		
Purchase of property, plant and equipment	(61,363)	(30,851)
Purchase of intangible assets	-	(36,138)
Purchase of investment securities	(149,483)	(896,539)
Proceeds from sale of investment securities	183,309	-
Proceeds from distributions from investment partnerships	18,261	4,109
Payments of leasehold and guarantee deposits	(25,887)	(386,041)
Proceeds from refund of leasehold and guarantee deposits	552	6,073
Other, net	(217)	5,019
Net cash provided by (used in) investing activities	(34,828)	(1,334,367)
Cash flows from financing activities		
Dividends paid	-	(96,251)
Purchase of treasury shares	(150,979)	(469,401)
Proceeds from issuance of bonds	-	148,146
Proceeds from share issuance to non-controlling shareholders	-	727
Net cash provided by (used in) financing activities	(150,979)	(416,779)
Effect of exchange rate change on cash and cash equivalents	(1,387)	16,639
Net increase (decrease) in cash and cash equivalents	1,742,650	991,169
Cash and cash equivalents at beginning of period	4,585,223	6,327,872
Cash and cash equivalents at end of period	6,327,872	7,319,041