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Fiscal year ended December 31, 2025 Consolidated Financial Results (Under Japanese GAAP)

February 13, 2026

Company name	Neural Group Inc.	Listing	Tokyo Stock Exchange
Securities code	4056	URL	https://www.neural-group.com/en/index.html

Representative (Title) CEO (Name) Roi Shigematsu
Inquiries (Title) Executive Officer, CFO (Name) Takuya Matsuda (TEL) 03-5157-2345

Scheduled date of the Ordinary General Meeting of Shareholders	March 27, 2026	Scheduled date to commence dividend payments	—
Scheduled date to file the annual securities report	March 27, 2026		

Preparation of supplementary material on financial results : Yes
Holding of financial results briefing : Yes

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

1. Consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	3,299	△7.5	△6	—	△46	—	△107	—
Fiscal year ended December 31, 2024	3,564	12.2	35	—	11	—	△60	—

Note: Comprehensive income Fiscal year ended December 31, 2025 △102 Mn yen (— %) Fiscal year ended December 31, 2024 △63 Mn yen (—%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2025	△6.76	—	△8.8	△1.3	△0.2
Fiscal year ended December 31, 2024	△3.97	—	△11.6	0.4	1.0

(Reference) Share of profit (loss) of entities accounted for using equity method Fiscal year ended December 31, 2025 — Mn yen Fiscal year ended December 31, 2024 — Mn yen

Note: Diluted earnings per share are not shown because, although there are residual shares, a net loss per share was recorded.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended December 31, 2025	4,198	1,885	44.3	108.27
Fiscal year ended December 31, 2024	2,976	614	20.0	38.78

Equity Fiscal year ended December 31, 2025 1,861 Mn yen Fiscal year ended December 31, 2024 594 Mn yen

(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 December 31, 2025	150	△28	1,395	2,176
Fiscal year ended December 31, 2024	194	4	△344	659

2. Cash dividends

	Annual dividends per share					Total 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 December 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended December 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending December 31, 2026 (Forecast)	—	0.00	—	0.00	0.00		—	

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

(Percentages indicate year-on-year changes.)

	Net sales		Adjusted EBITDA*	
	Millions of yen	%	Millions of yen	%
Full year	5,300	60.6	400	—

* Adjusted EBITDA = Operating profit + depreciation and amortization + amortization of goodwill + acquisition-related costs

* Notes

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

Newly included − companies (Company name) — 、Excluded − companies (Company name) —

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards, etc. : None

(ii) Changes in accounting policies other than (i) : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(3) Number of issued shares (common shares)

(i) Number of issued shares at the end of the period (including treasury shares)	Fiscal year ended December 31, 2025	17,191,031 shares	Fiscal year ended December 31, 2024	15,340,031 shares
(ii) Number of treasury shares at the end of the period	Fiscal year ended December 31, 2025	184 shares	Fiscal year ended December 31, 2024	184 shares
(iii) Average number of shares during the period	Fiscal year ended December 31, 2025	15,932,545 shares	Fiscal year ended December 31, 2024	15,331,471 shares

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	453	△27.7	△241	—	△275	—	△220	—
Fiscal year ended December 31, 2024	627	△10.8	△174	—	△190	—	△168	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended December 31, 2025	△13.85	—
Fiscal year ended December 31, 2024	△11.00	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended December 31, 2025	3,996	2,070	51.4	119.58
Fiscal year ended December 31, 2024	3,021	918	29.7	58.60

(Reference) Equity Fiscal year ended December 31, 2025 2,055 Millions of yen Fiscal year ended December 31, 2024 898 Millions of yen

※ These financial results are outside the scope of audit by certified public accountants or an audit corporation.

※ Explanation of the appropriate use of financial results forecasts and other special notes

(Cautionary note regarding forward-looking statements)

The forward-looking statements, including the earnings forecasts, contained in this material are based on information currently available to the Company and on certain assumptions that the Company judges to be reasonable, and are not a commitment by the Company to achieve them. Actual results may differ materially due to a variety of factors.

3. Consolidated financial statements and primary notes

(1) Consolidated balance sheet

(Thousands of yen)

	Previous consolidated fiscal year (As of December 31, 2024)	Consolidated fiscal year under review (As of December 31, 2025)
Assets		
Current Asset		
Cash and deposits	670,062	2,217,012
Accounts receivable - trade	464,868	320,159
Contract assets	63,260	74,261
Inventories	207,995	162,369
Advance payments	61,867	42,300
Other	42,563	56,150
Allowance for doubtful accounts	△710	△2,058
Total current assets	1,509,907	2,870,194
Fixed Assets		
Property, plant and equipment		
Buildings and structures	33,281	33,281
Vehicles	2,578	2,646
Tools, furniture and fixtures	141,662	159,682
Other	–	4,620
Accumulated depreciation	△122,292	△138,815
Total property, plant and equipment	55,229	61,414
Intangible assets		
Software	7,498	5,414
Goodwill	943,572	839,692
Customer-related assets	164,571	141,337
Total intangible assets	1,115,641	986,444
Investments and other assets		
Investment securities	157,215	157,215
Security deposits and guarantee deposits	130,678	118,282
Deferred tax assets	6,061	2,151
Other	2,043	2,443
Total investments and other assets	295,998	280,092
Total non-current assets	1,466,870	1,327,951
Total Assets	2,976,777	4,198,146

(Thousands of yen)

	Previous consolidated fiscal year (As of December 31, 2024)	Consolidated fiscal year under review (As of December 31, 2025)
Liabilities		
Current liabilities		
Account payable	57,772	53,125
Short-term borrowings	700,000	600,000
Current portion of bonds payable	20,000	10,000
Current portion of long-term borrowings	400,615	455,350
Accounts payable - other	100,754	68,671
Income taxes payable	4,299	34,692
Accrued consumption taxes	86,705	20,038
Contract liabilities	62,664	46,579
Provision for bonuses	3,890	4,159
Other	90,024	85,235
Total current liabilities	1,526,727	1,377,851
Non-current liabilities		
Bonds payable	10,000	-
Long-term borrowings	745,413	844,388
Retirement benefit liability	66,927	70,005
Deferred tax liabilities	13,470	20,620
Total non-current liabilities	835,810	935,014
Total liabilities	2,362,537	2,312,866
Net assets		
Shareholders' equity		
Share capital	12,254	10,000
Capital surplus	2,375,155	2,266,898
Retained earnings	△1,792,087	△411,793
Treasury stock	△567	△567
Total shareholders' equity	594,754	1,864,537
Accumulated other comprehensive income		
Foreign currency translation adjustments	83	△3,242
Total accumulated other comprehensive income	83	△3,242
Stock acquisition rights	19,401	15,031
Non-controlling interests	-	8,953
Total net assets	614,239	1,885,279
Total liabilities and net assets	2,976,777	4,198,146

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year under review (From January 1, 2025 to December 31, 2025)
Net sales	3,564,789	3,299,035
Cost of sales	1,197,709	1,153,716
Gross profit	2,367,079	2,145,319
Selling, general and administrative expenses	2,331,523	2,151,983
Operating profit (loss)	35,556	△6,663
Non-operating income		
Interest and dividend income	136	879
Dividend income	1	2
Foreign exchange gains	2,365	4,386
Insurance income	776	-
Income from penalties	3,801	2,347
Other	4,044	588
Total non-operating income	11,126	8,204
Non-operating expenses		
Interest expenses	19,465	27,293
Share issuance costs	5,260	15,831
Other	10,221	5,173
Total non-operating expenses	34,947	48,298
Ordinary profit (loss)	11,735	△46,757
Extraordinary income		
Gain on cancellation of treasury share acquisition rights	-	3,355
Total extraordinary income	-	3,355
Extraordinary losses		
Loss on retirement of non-current assets	-	619
Impairment loss	-	9,330
Total extraordinary losses	-	9,950
Profit (loss) before income taxes	11,735	△53,351
Income taxes - current	4,318	34,781
Deferred income taxes	70,324	11,060
Total income taxes	74,642	45,842
Loss	△62,906	△99,193
Profit (loss) attributable to non-controlling interests	△1,975	8,470
Loss attributable to owners of parent	△60,931	△107,663

Consolidated statement of comprehensive income

(Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year under review (From January 1, 2025 to December 31, 2025)
Loss	△62,906	△99,193
Other comprehensive income		
Foreign currency translation adjustments	△570	△2,842
Total other comprehensive income	△570	△2,842
Comprehensive income	△63,477	△102,036
(Breakdown)		
Comprehensive income attributable to owners of parent	△60,848	△110,989
Comprehensive income attributable to non-controlling interests	△2,628	8,953

(3) Consolidated statement of cash flows

(Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year under review (From January 1, 2025 to December 31, 2025)
Cash flows provided by operating activities		
Profit (loss) before income taxes	11,735	△53,351
Depreciation	47,944	45,585
Impairment loss	-	9,330
Amortization	103,879	103,879
Increase (decrease) in allowance for doubtful accounts	710	1,348
Increase (decrease) in provision for bonuses	△562	269
Increase (decrease) in retirement benefit liability	6,744	3,078
Interest and dividend income	△138	△881
Interest expenses	19,465	27,293
Foreign exchange losses (gains)	△2,225	22
Share issuance costs	5,260	15,831
Loss on retirement of non-current assets	-	619
Decrease (increase) in trade receivables	△94,264	133,708
Decrease (increase) in inventories	64,598	20,682
Decrease (increase) in advance payments	△36,722	19,566
Increase (decrease) in trade payables	1,481	△4,646
Increase (decrease) in accounts payable - other	6,641	△32,083
Increase (decrease) in contract liabilities	23,365	△16,085
Increase (decrease) in accrued consumption taxes	64,649	△66,667
Other	△26,443	△26,485
Subtotal	196,119	181,013
Interest and dividend income received	125	784
Interest paid	△19,697	△27,333
Corporate income taxes paid	△4,285	△4,295
Income taxes refund	22,336	-
Cash flows provided by operating activities	194,597	150,169
Cash flows provided by investment activities		
Purchase of property, plant and equipment	△949	△767
Purchase of intangible assets	△3,800	-
Proceeds from collection of loans receivable	270	140
Payments into time deposits	-	△30,000
Proceeds from withdrawal of time deposits	7,200	-
Payments for lease and guarantee deposits	△137	△231
Proceeds from collection of lease and guarantee deposits	2,250	2,341
Other	-	△5
Cash flows provided by investment activities	4,833	△28,522

(Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year under review (From January 1, 2025 to December 31, 2025)
Cash flows provided by financing activities		
Net increase (decrease) in short-term borrowings	-	△100,000
Proceeds from long-term borrowings	50,000	700,000
Repayments of long-term borrowings	△557,452	△546,290
Redemption of bonds	△36,000	△20,000
Proceeds from issuance of shares	199,249	1,361,615
Purchase of treasury shares	△39	-
Cash flows provided by financing activities	△344,241	1,395,325
Effect of exchange rate changes on cash and cash equivalents	885	△22
Net increase (decrease) in cash and cash equivalents	△143,925	1,516,949
Cash and cash equivalents at beginning of period	803,068	659,142
Cash and cash equivalents at end of period	659,142	2,176,092