Note: This is an English translation of the Quarterly Financial Summary in Japanese and is for reference purposes only. In the event of any discrepancy between the translation and the original Japanese text, the latter will prevail.

Asteria

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (IFRS)

February 14, 2025

Company name: Asteria Corporation — Tokyo Stock Exchange
Code number: 3853 URL: https://en.asteria.com/
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Scheduled date of payment of cash dividends: —

Supplemental materials prepared for financial results: Yes

Earnings briefing for financial results: Yes (for institutional and individual investors)

(Figures are rounded to the nearest million yen)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results(Cumulative)

(% indicates year-on-year changes.)

	Revenue		Adjusted EBITDA		Operating profit		Profit before income tax		Net profit		Net profit attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine Months ended December 31, 2024	2,334	8.5	746	25.0	345	—	417	—	206	—	230	—
Nine Months ended December 31, 2023	2,152	—	597	—	(3,729)	—	(3,575)	—	(2,645)	—	(2,264)	—

	Comprehensive net profit	
	Million yen	%
Nine Months ended December 31, 2024	237	—
Nine Months ended December 31, 2023	(2,316)	—

(yen)

	Basic earnings per share	Diluted earnings per share
Nine Months ended December 31, 2024	13.66	13.66
Nine Months ended December 31, 2023	(134.81)	(134.81)

Note:1. Basic earnings per share and diluted earnings per share are based on net profit attributable to owners of the parent.

2. Adjusted EBITDA＝Operating profit＋Depreciation expense ± Other adjustment items (Goodwill impairment, Unrealized acquisition consideration, Unrealized gains and losses related to investment business, etc.)

3. Due to changes in consolidated subsidiaries during the fourth quarter of the fiscal year ended March 31, 2024, the design business has classified as discontinued operations. As a result, revenue, adjusted EBITDA, operating profit and profit before income taxes are presented only in the amounts of continuing operations, which exclude discontinued operations, and net profit and net profit attributable to owners of the parent are presented the total amount of continuing operations and discontinued operations. Therefore, changes from the same period of the previous year are not presented.

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of December 31, 2024	7,634	5,903	5,784	75.8
As of March 31, 2024	7,587	5,757	5,582	73.6

2. Dividends

(Yen)

	Annual dividends per share				
	End-Q1	End-Q2	End-Q3	Year-end	Total
Fiscal Year Ended March 31, 2024	—	2.00	—	4.50	6.50
Fiscal Year Ending March 31, 2025	—	0.00	—		
Fiscal Year Ending March 31, 2025 (Forecast)				7.50	7.50

Note: Revisions to the forecast of dividends since the last announcement: None
Regarding the cash dividends for second quarter of the fiscal year ended March 31,2024 (interim dividends), we implemented a commemorative dividend to mark the 25th anniversary of founding.

3. Forecast of Consolidated Results for Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

（% indicate year-on-year changes）

	Revenue		Operating profit		Net profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	3,200	10.0	600	—	300	—

Note: Revisions to the forecast of consolidated results most recently announced: None

* Notes

(1) Changes in significant subsidiaries during the fiscal period
(Changes in specified subsidiaries that caused a change in the scope of consolidation): None

(2) Changes in accounting policies/changes in accounting estimation

a) Changes in accounting policies due to IFRS requirements: None
b) Changes in accounting policies other than (2) a) above: None
c) Changes in accounting estimation: None

(3) Number of shares issued (Common Stock)

a) Total number of issued shares at the end of the period (including treasury stock)	As of December 31, 2024	17,491,265 shares	As of March 31, 2024	17,491,265 shares
b) Number of shares of treasury stock at the end of the period	As of December 31, 2024	683,921 shares	As of March 31, 2024	683,921 shares
c) Average number of shares during the period	Nine Months ended December 31, 2024	16,807,344 shares	Nine Months ended December 31, 2023	16,795,565 shares

* Review of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Cautionary statement on appropriate use of business results forecasts and other matters.

(Note on forward-looking statements)
This report contains forward-looking statements on future performance and other matters that are based on information currently available to the company and certain reasonable assumptions. These forward-looking statements are not guarantees of future performance. A variety of factors may cause actual performance to be materially different from that expressed or implied by these forward-looking statements. For notes on the assumptions used in business forecasts and use of these forecasts, please refer to “1. Overview of Business Results, (3) Outlook for consolidated business results, etc.

(Access to supplementary materials for results and content from the results briefing)
The company plans to hold an online result briefing from 6.00 pm (JST) on Friday, February 14, 2025. The materials used in the briefing will be posted on our official website, and the briefing video itself will be streamed live on YouTube Live and will also be available on our website later.

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1. Overview of Business Results

(1) Quarterly overview of business results

(Millions of yen)

	Q3 FY2023	Q3 FY2024	YoY growth
Revenue	2,152	2,334	8.5%
Adjusted EBITDA	597	746	25.0%
Operating profit or loss	(3,729)	345	−%
Profit or loss before income taxes	(3,575)	417	−%
Net profit or loss attributable to owners of the parent	(2,264)	230	−%

<Overview of revenue and profit>

The consolidated results for the Nine months ended December 31, 2024 (April 1, 2024 - December 31, 2024, hereinafter Q3 FY2024) saw year-over-year (hereinafter YoY) 8.5% increase to 2,334 million yen in revenue.

Regarding profits, although the company recorded a loss due to the sale of all shares of Gorilla Technology Group in the Investment Business, the steady growth of the software business contributed to an operating profit of 345 million yen. Outside of operating activities, the profit before income taxes was 417 million yen due to the impact of exchange rate fluctuations, and the net profit attributable to owners of the parent was 230 million yen.

In addition, due to changes in consolidated subsidiaries in the fiscal year ended March 31, 2024, the design business has been classified as discontinued operations for the purpose of preparing the consolidated financial statements for the same period of the previous year. Based on this accounting treatment, Revenue, Adjusted EBITDA, Operating profit, and Profit before income taxes are stated to the amounts for continuing operations excluding discontinued operations.

<Reportable segments>

The company splits its businesses into two reportable segments: the “Software Business segment” and the “Investment Business segment”.

<<Software Business segment>>

(Millions of yen)

	Q3 FY2023	Q3 FY2024	YoY growth
Revenue	2,152	2,334	8.5%

<Overview of revenue>

Data integration middleware "Warp" has seen growing demand for system integration, including cloud services for HR and accounting. The product is also gaining traction amid increasing system replacement needs driven by the "SAP 2027 issue." Furthermore, as companies seek to overcome the "2025 Digital Cliff" and address the shortage of IT engineers, interest in no-code tools continues to rise. In Q3 FY2024, Warp's license revenue increased by 17% YoY, while subscription revenue grew by 20%, pushing total business revenue past 2 billion yen.

Mobile app building tool “Platio” is accelerating business efficiency and digitalization. Recently, demand has expanded for its use in inputting and outputting data to cloud services via mobile devices. In addition to acquiring new customers, higher user adoption within existing clients and upgrades to premium plans have contributed to an increase in average revenue per customer. The introduction of a new product lineup has successfully captured the growing need for on-site data integration with internal systems, resulting in a 40% YoY revenue increase.

AI/IoT platform “Gravio” is advancing its global expansion efforts by strengthening promotional activities for jointly developed AI and IoT services through a business partnership with the Malaysian AI company Tapway.

<<Investment Business segment>>

The Investment Business segment invests through Asteria Vision Fund I, L.P. (AVF-1) to D4G (Data, Device, Decentralized, Design) domain, the same as Software Business segment, and the results of its operations on investment valuation change is booked in accordance with IFRS.

(Millions of yen)

	Q3 FY2023	Q3 FY2024	YoY growth
Investment valuation change and gain or loss on sale	(4,145)	(194)	−%

A loss on sale was incurred following the completion of the sale of all shares in Gorilla Technology Group, an AI development company (listed on the NASDAQ in the United States).

(2) Quarterly overview of financial position

Overview of Assets, Liabilities and Equity

(Assets)

Total assets as of December 31, 2024, were Yen 7,634mn, up Yen 47mn compared to March 31, 2024. This was mainly due to an increase of Yen 964mn in cash and cash equivalents against a decrease of Yen 835mn in other financial assets (mainly investment securities).

(Liabilities)

Total liabilities were Yen 1,732mn, down Yen 99mn compared to March 31, 2024. This was mainly due to a decrease of Yen 357mn in borrowings against an increase of Yen 232mn in accrued income taxes.

(Equity)

Total equity was Yen 5,903mn, up Yen 146mn compared to March 31, 2024. This was mainly due to an increase of Yen 170mn in retained earnings.

(3) Outlook for consolidated business results, etc.

There are no changes to the consolidated earnings forecast announced on January 6, 2025.

2. Condensed Quarterly Consolidated Financial Statements and Main Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	1,731,347	2,695,816
Trade and other receivables	176,719	176,024
Inventories	2,643	3,897
Other financial assets	454,200	—
Other current assets	141,630	72,656
Total current assets	2,506,539	2,948,392
Non-current assets		
Property, plant and equipment	938,202	829,551
Intangible assets	241,420	307,760
Investments accounted for using the equity method	133,205	125,368
Deferred tax assets	292,907	320,550
Other financial assets	3,295,411	2,915,016
Other non-current assets	179,657	187,782
Total non-current assets	5,080,801	4,686,026
Total assets	7,587,340	7,634,418

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities and Equity		
Liabilities		
Current liabilities		
Borrowings	242,800	100,000
Trade and other payables	113,125	93,510
Income taxes payable	—	231,830
Other financial liabilities	64,542	48,914
Other current liabilities	827,910	960,210
Total current liabilities	1,248,377	1,434,463
Non-current liabilities		
Provisions	9,393	9,413
Borrowings	214,600	—
Other financial liabilities	357,999	287,744
Total non-current liabilities	581,992	297,156
Total liabilities	1,830,369	1,731,619
Equity		
Common stock	2,275,343	2,275,343
Capital surplus	2,522,045	2,522,045
Treasury stock	(505,334)	(505,334)
Other equity components	746,648	778,574
Retained earnings	543,361	713,299
Total equity attributable to owners of the parent	5,582,064	5,783,929
Non-controlling interests	174,907	118,870
Total equity	5,756,971	5,902,799
Total liabilities and equity	7,587,340	7,634,418

(2) Condensed Quarterly Consolidated Statement of Profit or Loss

(Thousands of yen)

	Nine Months ended December 31, 2023	Nine Months ended December 31, 2024
Continuing operations		
Revenue	2,152,210	2,334,274
Cost of sales	202,432	254,806
Gross income	1,949,777	2,079,468
Selling, general and administrative expenses	1,536,369	1,552,110
Other income	5,127	56,104
Other expenses	4,147,363	238,310
Operating profit or loss	(3,728,828)	345,152
Finance income	173,552	92,905
Finance costs	14,635	16,393
Equity in earnings of affiliates	(5,361)	(5,102)
Profit or loss before income tax	(3,575,272)	416,562
Income tax expense	(694,820)	210,705
Net profit or loss from continuing operations	(2,880,452)	205,857
Discontinued operations		
Net profit or loss from discontinued operations	235,669	—
Net profit or loss	(2,644,783)	205,857
Attributable net profit or loss		
Net profit attributable to owners of the parent	(2,264,141)	229,569
Attributable to non-controlling interests	(380,643)	(23,713)
Net profit or loss	(2,644,783)	205,857
Earnings per share		
Basic earnings per share (Yen)		
Continuing operations	(148.84)	13.66
Discontinued operations	14.03	—
Total	(134.81)	13.66
Diluted earnings per share (Yen)		
Continuing operations	(148.84)	13.66
Discontinued operations	14.03	—
Total	(134.81)	13.66

(3) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Nine Months ended December 31, 2023	Nine Months ended December 31, 2024
Profit or loss for the period	(2,644,783)	205,857
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	117,031	53,259
Total items that will not be reclassified to profit or loss	117,031	53,259
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	211,403	(22,025)
Total items may be reclassified to profit or loss	211,403	(22,025)
Total other comprehensive profit or loss	328,433	31,234
Total comprehensive income	(2,316,350)	237,091
Comprehensive income attributable to		
Owners of the parent	(1,965,293)	277,498
Non-controlling interests	(351,057)	(40,408)
Total comprehensive income	(2,316,350)	237,091

(4) Main Notes to Condensed Quarterly Consolidated Financial Statements

(Going concern assumption)

No matters to report.

(Change in accounting policies)

No matters to report.

(Notes on Quarterly Consolidated Statements of Cash Flows)

Condensed quarterly consolidated statements of cash flows for the period under review have not been prepared. Depreciation (including amortization related to intangible assets) for the nine months of 2023 and 2024 are as follows.

(Thousands of yen)

	Nine Months ended December 31, 2023	Nine Months ended December 31, 2024
Depreciation and amortization	138,396	169,100

(Segment information)

(1) Overview of reportable segments

The Group's organizational structure is split into two basic components "Software Business segment" and "Investment Business segment" as reportable segments.

At a Board of Directors meeting held on March 8, 2024, our Group resolved to transfer all shares of its consolidated subsidiary, This Place Limited. On March 22, 2024, the shares were transferred to This Place Holdings Limited, which is not an affiliated company. As a result, the design business, previously included in the Software Business Segment, has been classified as a discontinued operation and removed from segment information. Accordingly, the segment information for the previous third quarter consolidated cumulative period has been restated to reflect only the amounts of continuing operations, excluding the discontinued operations.

(2) Information on revenue, profits and losses, and assets by reportable segment

Q3 FY2023 (April 1, 2023- December 31, 2023)

	Reportable segment			Adjustments*1	Consolidated
	Software Business	Investment Business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)
Revenue					
Sales to external customers	2,152,210	-	2,152,210	-	2,152,210
Inter-segment transactions	-	-	-	-	-
Total	2,152,210	-	2,152,210	-	2,152,210
Segment profit or loss*2	458,695	(4,190,468)	(3,731,773)	-	(3,731,773)
Other income and expenses					2,945
Finance income					173,552
Finance expenses					14,635
Equity in earnings of affiliates (Figures in negative represent loss)					(5,361)
Profit or loss before income tax					(3,575,272)
Other items					
Depreciation and amortization expenses	138,225	171	138,396	-	138,396

(Notes) *1 "Adjustments" indicates mainly elimination of inter-segment transactions.

*2 Segment profit or loss calculated by deducting Cost of goods sales and Sales, general and administrative expenses from revenue. Of other income and expenses, valuation gains / losses on investments measured at fair value through profits / losses held by AVF-1 are transferred to segment profits of the Investment Business.

Q3 FY2024 (April 1, 2024- December 31, 2024)

	Reportable segment			Adjustments[*1]	Consolidated
	Software Business	Investment Business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)
Revenue					
Sales to external customers	2,334,274	-	2,334,274	-	2,334,274
Inter-segment transactions	-	-	-	-	-
Total	2,334,274	-	2,334,274	-	2,334,274
Segment profit or loss[*2]	577,200	(243,449)	333,752	-	333,752
Other income and expenses					11,401
Finance income					92,905
Finance expenses					16,393
Equity in earnings of affiliates (Figures in negative represent loss)					(5,102)
Profit or loss before income tax					416,562
Other items					
Depreciation and amortization expenses	168,969	131	169,100	-	169,100

(Notes) *1 “Adjustments” indicates mainly elimination of inter-segment transactions.
*2 Segment profit or loss calculated by deducting Cost of goods sales and Sales, general and administrative expenses from revenue. Of other income and expenses, valuation gains / losses on investments measured at fair value through profits / losses held by AVF-1 are transferred to segment profits of the Investment Business.

(Notes on significant changes in shareholders’ equity)
None

(Significant subsequent events)
None