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October 15, 2026

Consolidated Financial Results for the Fiscal Year Ended August 31, 2026 (Under Japanese GAAP)



Company name: and factory,inc

Listing: Tokyo Stock Exchange

Securities code: 7035

URL: <https://andfactory.co.jp/>

Representative: Rinji Aoki

,Chief Executive Officer

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,Chief Financial Officer

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Scheduled date of annual general meeting of shareholders: November 26, 2026

Scheduled date to commence dividend payments: -

Scheduled date to file annual securities report: November 24, 2026

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 fiscal year ended August 31, 2026 (from September 1, 2025 to August 31, 2026)

(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 August 31, 2026	3,138	(2.2)	6	-	6	-	7	-
August 31, 2025	3,209	-	(270)	-	(266)	-	(326)	-

Note: Comprehensive income For the fiscal year ended August 31, 2026: ¥ 8 million [-%]
For the fiscal year ended August 31, 2025: ¥ (319) million [-%]

	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 August 31, 2026	0.65	0.65	0.8	0.3	0.2
August 31, 2025	(28.95)	-	(36.8)	(13.0)	(8.4)

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

For the fiscal year ended August 31, 2026: ¥ - million

For the fiscal year ended August 31, 2025: ¥ - 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 August 31, 2026	1,874	907	47.7	79.48
August 31, 2025	2,020	892	43.9	78.79

Reference: Equity

As of August 31, 2026: ¥ 895 million

As of August 31, 2025: ¥ 887 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 August 31, 2026	(53)	(30)	(56)	721
August 31, 2025	(428)	(122)	(151)	860

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 August 31, 2025	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended August 31, 2026	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending August 31, 2027 (Forecast)	-	0.00	-	0.00	0.00		-	

Note: Breakdown of the year-end dividend for the fiscal year ended August 31, 2026 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending August 31, 2027 (from September 1, 2026 to August 31, 2027)

(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	2,928	(6.7)	(172)	-	(172)	-	70	858.2	6.25

* Notes

(1) Significant changes in the scope of consolidation during the period:

None

Newly included: - companies()
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 August 31, 2026	11,263,170 shares
As of August 31, 2025	11,261,970 shares

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

As of August 31, 2026	277 shares
As of August 31, 2025	277 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended August 31, 2026	11,261,719 shares
Fiscal Year ended August 31, 2025	11,261,696 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended August 31, 2026 (from September 1, 2025 to August 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended August 31, 2026	3,022	(2.7)	(3)	-	(0)	-	8	-
August 31, 2025	3,108	(38.1)	(267)	-	(266)	-	(323)	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended August 31, 2026	0.72	0.72
August 31, 2025	(28.73)	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2026	1,823	908	49.2	79.71
August 31, 2025	1,967	893	45.2	79.01

Reference: Equity

As of August 31, 2026:	¥	897 million
As of August 31, 2025:	¥	889 million

* 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

Consolidated Financial Statements and Primary Notes

Consolidated Balance Sheet

(Millions of yen)

	As of August 31, 2025	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	860	721
Accounts receivable - trade	533	620
Merchandise	1	7
Work in process	17	26
Advances paid	-	50
Accrued revenue	-	0
Short-term loans receivable	6	7
Accounts receivable - other	304	247
Income taxes refund receivable	-	7
Consumption taxes refund receivable	103	-
Other	44	42
Allowance for doubtful accounts	(32)	(32)
Total current assets	1,840	1,697
Non-current assets		
Property, plant and equipment		
Buildings	6	6
Tools, furniture and fixtures	60	66
Accumulated depreciation	(66)	(70)
Total property, plant and equipment	0	3
Intangible assets		
Software	18	24
Software in progress	0	-
Goodwill	38	43
Total intangible assets	58	67
Investments and other assets		
Investment securities	45	45
Long-term loans receivable	20	13
Leasehold and guarantee deposits	41	41
Other	13	6
Total investments and other assets	121	106
Total non-current assets	179	177
Total assets	2,020	1,874

(Millions of yen)

	As of August 31, 2025	As of August 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	175	148
Short-term borrowings	90	65
Current portion of long-term borrowings	31	29
Accounts payable - other	466	428
Income taxes payable	9	0
Accrued consumption taxes	-	20
Provision for bonuses	1	6
Provision for shareholder benefit program	35	39
Other	79	21
Total current liabilities	890	759
Non-current liabilities		
Long-term borrowings	235	206
Deferred tax liabilities	1	1
Total non-current liabilities	237	207
Total liabilities	1,127	967
Net assets		
Shareholders' equity		
Share capital	801	70
Capital surplus	800	817
Retained earnings	(718)	4
Treasury shares	(0)	(0)
Total shareholders' equity	883	891
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3	3
Total accumulated other comprehensive income	3	3
Share acquisition rights	4	10
Non-controlling interests	1	1
Total net assets	892	907
Total liabilities and net assets	2,020	1,874

Consolidated Statements of Income and Comprehensive Income
Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended August 31, 2025	For the fiscal year ended August 31, 2026
Net sales	3,209	3,138
Cost of sales	1,823	1,624
Gross profit	1,385	1,514
Selling, general and administrative expenses	1,655	1,507
Operating profit (loss)	(270)	6
Non-operating income		
Interest income	1	3
Foreign exchange gains	-	1
Subsidy income	6	1
Recoveries of written off receivables	-	1
Miscellaneous income	-	1
Compensation income	0	-
Consumption taxes for prior periods	4	-
Other	0	0
Total non-operating income	13	8
Non-operating expenses		
Interest expenses	6	6
Foreign exchange losses	1	-
Other	0	2
Total non-operating expenses	9	9
Ordinary profit (loss)	(266)	6
Extraordinary income		
Gain on sale of non-current assets	0	-
Insurance claim income	2	-
Profit resulting from a change in the method of revenue recognition	28	9
Total extraordinary income	31	9
Extraordinary losses		
Impairment losses	59	-
Loss on retirement of non-current assets	22	-
Loss on valuation of investment securities	3	-
Total extraordinary losses	85	-
Profit (loss) before income taxes	(320)	15
Income taxes - current	2	6
Total income taxes	2	6
Profit (loss)	(323)	8
Profit attributable to non-controlling interests	3	1
Profit (loss) attributable to owners of parent	(326)	7

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended August 31, 2025	For the fiscal year ended August 31, 2026
Profit (loss)	(323)	8
Other comprehensive income		
Valuation difference on available-for-sale securities	3	-
Total other comprehensive income	3	-
Comprehensive income	(319)	8
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(322)	7
Comprehensive income attributable to non-controlling interests	3	1

Consolidated Statement of Changes in Equity
For the fiscal year ended August 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	801	800	(392)	(0)	1,209
Changes during period					
Issuance of new shares - exercise of share acquisition rights					-
Purchase of treasury shares				(0)	(0)
Capital reduction					-
Profit (loss) attributable to owners of parent			(326)		(326)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(326)	(0)	(326)
Balance at end of period	801	800	(718)	(0)	883

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	-	-	-	-	1,209
Changes during period					
Issuance of new shares - exercise of share acquisition rights					-
Purchase of treasury shares					(0)
Capital reduction					-
Profit (loss) attributable to owners of parent					(326)
Net changes in items other than shareholders' equity	3	3	4	1	9
Total changes during period	3	3	4	1	(316)
Balance at end of period	3	3	4	1	892

For the fiscal year ended August 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	801	800	(718)	(0)	883
Changes during period					
Issuance of new shares - exercise of share acquisition rights	0	0			0
Purchase of treasury shares					-
Capital reduction	(731)	16	715		-
Profit (loss) attributable to owners of parent			7		7
Net changes in items other than shareholders' equity					
Total changes during period	(731)	16	722	-	7
Balance at end of period	70	817	4	(0)	891

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	3	3	4	1	892
Changes during period					
Issuance of new shares - exercise of share acquisition rights					0
Purchase of treasury shares					-
Capital reduction					-
Profit (loss) attributable to owners of parent					7
Net changes in items other than shareholders' equity		(0)	6	0	6
Total changes during period	(0)	(0)	6	0	13
Balance at end of period	3	3	10	1	906

Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended August 31, 2025	For the fiscal year ended August 31, 2026
Cash flows from operating activities		
Profit (loss) before income taxes	(320)	15
Depreciation	30	13
Amortization of goodwill	10	9
Impairment losses	59	-
Loss (gain) on sale of non-current assets	(0)	-
Loss on retirement of non-current assets	22	-
Loss (gain) on valuation of investment securities	3	-
Increase (decrease) in allowance for doubtful accounts	13	(0)
Increase (decrease) in provision for bonuses	(0)	5
Increase (decrease) in provision for shareholder benefit program	11	3
Interest and dividend income	(1)	(3)
Subsidy income	(6)	(1)
Interest expenses	6	6
Decrease (increase) in trade receivables	103	(86)
Decrease (increase) in accounts receivable - other	(43)	53
Decrease (increase) in inventories	4	(13)
Decrease (increase) in prepaid expenses	(8)	2
Decrease (increase) in advances paid	19	(47)
Decrease (increase) in consumption taxes refund receivable	(103)	103
Increase (decrease) in trade payables	59	(27)
Increase (decrease) in accounts payable - other	(76)	(38)
Increase (decrease) in accrued consumption taxes	(191)	20
Other, net	(21)	(60)
Subtotal	(432)	(44)
Interest and dividends received	1	3
Interest paid	(6)	(6)
Subsidies received	4	2
Income taxes paid	(4)	(8)
Income taxes refund	8	-
Net cash provided by (used in) operating activities	(428)	(53)
Cash flows from investing activities		
Purchase of property, plant and equipment	(31)	(6)
Purchase of intangible assets	(28)	(14)
Payments of leasehold and guarantee deposits	(13)	-
Proceeds from refund of leasehold and guarantee deposits	0	-
Purchase of investment securities	(20)	-
Proceeds from sale of property, plant and equipment	0	-
Payments for acquisition of businesses	(6)	(16)
Loan advances	(30)	(10)
Proceeds from collection of loans receivable	13	16
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(5)	-
Other, net	0	-
Net cash provided by (used in) investing activities	(122)	(30)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(60)	(25)
Repayments of long-term borrowings	(91)	(31)

Proceeds from exercise of employee share options	-	0
Purchase of treasury shares	(0)	-
Net cash provided by (used in) financing activities	(151)	(56)
Effect of exchange rate change on cash and cash equivalents	-	1
Net increase (decrease) in cash and cash equivalents	(703)	(140)
Cash and cash equivalents at beginning of period	1,563	860
Cash and cash equivalents at end of period	860	721