

Consolidated Financial Results for the three months ended August 31, 2025 (Under Japanese GAAP)

Company name: Globe-ing Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 277A
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 Scheduled date of dividend payment: -
 Preparation of supplementary materials on financial results: Yes
 Schedule of financial results presentation meeting: Yes

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

1. Consolidated Financial Results for the Three Months Ended August 31, 2025 (from June 1, 2025 to August 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net revenue		Operating profit		Ordinary profit		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended August 31, 2025	2,660	54.6%	977	60.2	988	59.8	679	69.9
August 31, 2024	1,720	—	610	—	618	—	399	—

Reference: Comprehensive income
 Three months ended August 31, 2025: ¥ 684 million [71.1%]
 Three months ended August 31, 2024: ¥ 399 million [—%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended August 31, 2025	23.79	21.44
August 31, 2024	15.33	—

- Notes: 1. The Company conducted a 5-for-1 stock split of its common shares effective September 20, 2024 and March 1, 2025. Basic earnings per share and diluted earnings per share were calculated on the assumption that the stock split had been conducted at the beginning of the fiscal year under review.
2. The Company was listed on the Growth Market of the Tokyo Stock Exchange on November 29, 2024. Although there were potentially dilutive shares during the first quarter of the fiscal year ending May 2025, diluted earnings per share is not presented since the Company's shares were not listed at the end of the period and the average share price during the quarter could not be determined.
3. The Company did not prepare quarterly consolidated financial statements for the first quarter of the fiscal year ended May 2024; therefore, year-on-year comparisons for the first quarter of the fiscal year ending May 2025 are not presented.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Three months ended August 31, 2025	7,122	5,654	77.7
Fiscal year ended May 31, 2025	8,767	5,869	65.6

Reference: Equity As of August 31, 2025: ¥5,536 million

As of May 31, 2025: ¥5,751 million

2. Dividends

	Annual Dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2025	—	0.00	—	0.00	0.00
Fiscal year ending May 31, 2026	—				
Fiscal year ending May 31, 2026 (Forecast)		0.00	—	0.00	0.00

Notes: Revision of dividend forecast from the latest announcement: None

3. Consolidated financial results forecast for the fiscal year ending May 31, 2026 (from June 1, 2025 to May 31, 2026)

(Percentages indicate year-on-year changes.)

	Net revenue		Operating profit		Ordinary profit		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	11,555	40.0	3,750	33.9	3,760	35.1	2,557	44.6	89.81

Notes: Revision of forecast from the latest announcement: Yes. As the Company manages its operations on an annual basis, financial results forecast for the first six months are omitted. For details, please refer to “1. Overview of Financial Performance (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information” on page 3 of the attached document

*Notes

- (1) Significant changes in the scope of consolidation during the period: None
 Newly included: – companies (Company name) –
 Excluded: – companies (Company name) –
- (2) Application of special accounting methods for the preparation of quarterly 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: None
 - (iv) Restatement: None

(4) 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, 2025	28,728,000 shares
As of May 31, 2025	28,728,000 shares

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

As of August 31, 2025	360,400 shares
As of May 31, 2025	– shares

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

Three months ended August 31, 2025	28,567,387 shares
Fiscal year ended May 31, 2025	26,078,000 shares

Notes: The Company conducted a 5-for-1 stock split of its common shares effective September 20, 2024 and March 1, 2025, respectively. The weighted-average number of shares outstanding was calculated on the assumption that these stock splits had been conducted at the beginning of the previous consolidated fiscal year.

- * These financial statements are outside the scope of audit procedures by certified public accountants or audit corporations.

- * Proper use of earnings forecasts, and other special matters

Financial results forecasts and other forward-looking statements provided in these materials are based on information currently available to the Company and certain other assumptions that are deemed to be reasonable. Actual financial results may differ significantly from these forecasts due to various factors. For details on the assumptions underlying the earnings forecasts and other related matters, please refer to “1. Overview of Financial Performance (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information” on page 3 of the attached document.

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1. Overview of Financial Performance

(1) Overview of Operating Results During the Three Months Ended August 31, 2025

During the first quarter of the fiscal year ending May 2026, the Japanese economy maintained a moderate recovery trend; however, the outlook remained uncertain due to sluggish growth in private consumption, caused by persistent high consumer prices and foreign exchange fluctuations. Additionally, concerns over a slowdown of the global economy, stemming from the impact of stricter tariffs imposed by the U.S. government and rising geopolitical risks, also affected corporate activities.

In this environment, demand for digital transformation (DX) support within the Group's business domain remained robust. In particular, domestic companies demonstrated a persistent need for operational transformation, reflecting delays in digitalization, while demand for consulting services such as operational optimization and AI implementation support expanded among companies entering the operational stage of their digital businesses.

As market competition intensifies and structural changes accelerate, the challenges faced by management are becoming increasingly diverse and complex. By providing consulting services that leverage our strengths in research and analysis, planning and execution, and technology utilization, the Group continues to contribute to the sustainable growth and value creation of its clients.

During the first quarter of the consolidated fiscal year under review, the Group's business continued to expand steadily, with net revenue of ¥2,660,137 thousand (up 54.6% year on year), operating profit of ¥977,354 thousand (up 60.2% year on year), ordinary profit of ¥988,387 thousand (up 59.8% year on year), and net income attributable to owners of the parent of ¥679,538 thousand (up 69.9% year on year).

Operating results by segment are as follows.

Effective from the first quarter of the current fiscal year, the Company has changed its reporting segment classifications. Accordingly, year-on-year comparisons below are based on figures for the same period of the previous year reclassified in accordance with the new segment classifications. Inter-segment transactions have been eliminated and are not presented.

Consulting Business

The Company has hired mid-career consultants to provide support for various industries in all aspects of strategy development and DX promotion, and has worked to acquire new projects and expand the scale of existing projects. For the three months ended August 31, 2025, both net revenue and segment profit increased steadily due to the expansion of strategic accounts aimed at building long-term relationships. As a result, net revenue was ¥2,575,107 thousand (up 49.8% year on year), and segment profit was ¥1,176,500 thousand (up 43.6% year on year).

AI Business

Joint development of three products — the Spend Intelligence Suite, the Planning Support AI Agent (“Globe-ing-kun”), and the AI Meeting Minutes/Meeting Enhancement Agent (“AI-GijiCon”) — was promoted in collaboration with major client companies, and PoC and requirements definition progressed. As a result, for the three months ended August 31, 2025, the segment recorded net revenue of ¥85,030 thousand (up 9,347.8% year on year) and segment profit of ¥60,118 thousand, compared with a segment loss of ¥38,176 thousand in the same period of the previous fiscal year.

(2) Overview of Financial Position During the Three Months Ended August 31, 2025

Assets

Total assets at the end of the first quarter of the current consolidated fiscal year amounted to ¥7,122,646 thousand, a decrease of ¥1,644,870 thousand from the end of the previous consolidated fiscal year. This was mainly due to decreases of ¥1,767,881 thousand in cash and deposits and ¥130,971 thousand in deferred tax assets, as well as an increase of ¥223,408 thousand in guarantee deposits.

Liabilities

Total liabilities at the end of the first quarter of the current consolidated fiscal year amounted to ¥1,468,421 thousand, a decrease of ¥1,429,344 thousand from the end of the previous consolidated fiscal year. This was mainly due to decreases of ¥878,107 thousand in income taxes payable, ¥202,949 thousand in accrued consumption taxes, and ¥282,430 thousand in provision for bonuses.

Net assets

Net assets at the end of the first quarter of the current consolidated fiscal year amounted to ¥5,654,224 thousand, a decrease of ¥215,525 thousand from the end of the previous consolidated fiscal year. This was mainly due to an increase of ¥679,538 thousand in retained earnings from the posting of net income attributable to owners of the parent, and an increase of ¥899,918 thousand in treasury shares resulting from the acquisition of treasury shares conducted in July 2025.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information

The Company has revised its consolidated earnings forecast for the fiscal year ending May 31, 2026, which was previously announced on July 15, 2025. For further details, please refer to the “Notice Concerning Revision to Earnings Forecast” released today. The earnings forecasts are based on assumptions considered reasonable by the Company. Actual results may differ materially due to various factors.

2. Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of May 31, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	6,612,190	4,844,309
Accounts receivable - trade	433,728	303,267
Electronically recorded monetary claims	18,171	38,186
Contract assets	670,781	781,201
Inventories	6,523	15,911
Other	90,182	93,489
Total current assets	7,831,578	6,076,366
Non-current assets		
Property, plant and equipment		
Buildings	86,527	86,044
Accumulated depreciation	(30,486)	(38,521)
Buildings, net	56,040	47,522
Tools, furniture and fixtures	138,264	148,876
Accumulated depreciation	(81,229)	(87,004)
Tools, furniture and fixtures, net	57,035	61,872
Construction in progress	67,721	67,721
Total property, plant and equipment	180,797	177,116
Intangible assets		
Goodwill	93,358	90,585
Software	5,032	141,172
Software in progress	283,601	171,654
Total intangible assets	381,991	403,412
Investments and other assets		
Deferred tax assets	264,267	133,296
Leasehold deposits	103,541	326,949
Other	5,340	5,504
Total investments and other assets	373,149	465,751
Total non-current assets	935,938	1,046,280
Total assets	8,767,516	7,122,646

(Thousands of yen)

	As of May 31, 2025	As of August 31, 2025
Liabilities		
Current liabilities		
Accounts payable	239,611	201,083
Accrued expenses	445,002	433,324
Income taxes payable	1,080,219	202,112
Accrued consumption taxes	425,180	222,231
Contract liabilities	41,380	23,475
Provision for bonuses	441,360	158,929
Asset retirement obligations	—	4,846
Other	107,561	104,729
Total current liabilities	2,780,315	1,350,732
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	70,221	74,721
Asset retirement obligations	46,781	42,586
Deferred tax liabilities	448	381
Total non-current liabilities	117,451	117,689
Total liabilities	2,897,766	1,468,421
Net assets		
Shareholders' equity		
Share capital	1,195,288	1,195,288
Capital surplus	1,857,511	1,857,511
Retained earnings	2,705,078	3,384,616
Treasury shares	—	(899,918)
Total shareholders' equity	5,757,878	5,537,498
Accumulated other comprehensive income		
Foreign currency translation adjustment	(5,935)	(793)
Total accumulated other comprehensive income	(5,935)	(793)
Non-controlling interests	117,806	117,519
Total net assets	5,869,749	5,654,224
Total liabilities and net assets	8,767,516	7,122,646

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income

	(Thousands of yen)	
	Three months ended August 31, 2024 (From June 1, 2024 to August 31, 2024)	Three months ended August 31, 2025 (From June 1, 2025 to August 31, 2025)
Net revenue	1,720,381	2,660,137
Cost of revenue	504,344	872,427
Gross profit	1,216,036	1,787,709
Selling, general and administrative expenses	605,826	810,355
Operating profit	610,210	977,354
Non-operating income		
Interest income	105	5,392
Dividend income	2	2
Commission income	—	7,650
Foreign exchange gain	6,142	—
Subsidy income	1,928	—
Other	234	382
Total non-operating income	8,412	13,427
Non-operating expenses		
Foreign exchange loss	—	1,750
Other	—	643
Total non-operating expenses	—	2,393
Ordinary profit	618,623	988,387
Extraordinary income		
Gain on reversal of stock acquisition rights	2,812	—
Total extraordinary income	2,812	—
Profit before income taxes	621,435	988,387
Income taxes - current	151,050	178,253
Income taxes - deferred	63,138	130,882
Total income taxes	214,189	309,135
Net income	407,245	679,251
Net income attributable to non-controlling interests	7,368	(286)
Net income attributable to owners of the parent	399,877	679,538

Quarterly Consolidated Statements of Comprehensive Income

	(Thousands of yen)	
	Three months ended August 31, 2024 (From June 1, 2024 to August 31, 2024)	Three months ended August 31, 2025 (From June 1, 2025 to August 31, 2025)
Net Income	407,245	679,251
Other comprehensive income		
Foreign currency translation adjustment	(7,309)	5,141
Total other comprehensive income	(7,309)	5,141
Comprehensive income	399,936	684,393
Breakdown		
Comprehensive income attributable to owners of the parent	392,568	684,680
Comprehensive income attributable to non-controlling interests	7,368	(286)

(3) Notes to Quarterly Consolidated Financial Statements

Notes to Segment Information, etc.

Three months ended August 31, 2024 (From June 1, 2024 to August 31, 2024)

1. Information on Amounts of Revenue, Profit or Loss by Reportable Segment

(Thousands of yen)

	Reportable Segment			Adjustment (Note 1)	Amount recorded on quarterly consolidated statements of income (Note 2)
	Consulting	AI	Total		
Net revenue					
Revenue generated from contracts with customers	1,719,481	900	1,720,381	—	1,720,381
Other revenue	—	—	—	—	—
Net revenue to external customers	1,719,481	900	1,720,381	—	1,720,381
Intersegment revenue and transfers	—	—	—	—	—
Total	1,719,481	900	1,720,381	—	1,720,381
Segment income (loss)	819,359	(38,176)	781,183	(170,973)	610,210

Notes:

1. Adjustments to segment income (loss) consist of the following.
2. Segment income (loss) is adjusted with operating profit recorded on the quarterly consolidated statements of income.

2. Information on Amounts of Impairment Loss or Goodwill on Fixed Assets by Reportable Segment

Not applicable.

Three months ended August 31, 2025 (From June 1, 2025 to August 31, 2025)

1. Information on Amounts of Revenue, Profit or Loss by Reportable Segment

(Thousands of yen)

	Reportable Segment			Adjustment (Note 1)	Amount recorded on quarterly consolidated statements of income (Note 2)
	Consulting	AI	Total		
Net revenue					
Revenue generated from contracts with customers	2,575,107	85,030	2,660,137	—	2,660,137
Other revenue	—	—	—	—	—
Net revenue to external customers	2,575,107	85,030	2,660,137	—	2,660,137
Intersegment revenue and transfers	—	32,070	32,070	(32,070)	—
Total	2,575,107	117,100	2,692,207	(32,070)	2,660,137
Segment income (loss)	1,176,500	60,118	1,236,619	(259,264)	977,354

Notes:

- Adjustments to segment profit or loss primarily consist of general and administrative expenses not attributable to any reporting segment.
- Segment income (loss) is adjusted with operating profit recorded on the quarterly consolidated statements of income.

2. Information on Amounts of Impairment Loss or Goodwill on Property, Plant and Equipment by Reportable Segment

Not applicable.

3. Items Related to Changes in Reportable Segments

Effective from the first quarter of the current fiscal year, the Company has established the AI Business Division to develop and deploy AI agents as alternatives to consultants and to systematize and promote Japan-originated management methodologies. In line with this organizational change and in accordance with the Accounting Standard for Disclosures about Segments of an Enterprise, the Company has changed its reporting segment classifications as follows. The segment information for the same period of the previous fiscal year has been reclassified in accordance with the new segment classifications.

Overview of the Changes

Previous reportable segments	New reportable segments
Consulting	Consulting
Cloud product	AI

(Reference) Description of each segment after the change

Segment name	Description
Consulting	Support strategy/DX implementation as a CxO-class escort, and delivering hands-on execution and promotion of client companies' business reforms as a Joint Initiative (JI) consulting service.
AI	Developing and providing cloud-based solution that captures consulting expertise as well as AI agent that automates major tasks performed by consultants.

Notes in the Event of Significant Changes in the Amount of Shareholders' Equity

At a meeting of the Board of Directors held on July 18, 2025, the Company resolved to acquire treasury shares pursuant to Article 156, Paragraph 1 of the Companies Act, as applied mutatis mutandis under Article 165, Paragraph

3 of the same Act, and the provisions of the Company's Articles of Incorporation. On July 22, 2025, the Company acquired 360,400 shares of its treasury shares. As a result of the acquisition of treasury shares, treasury shares increased by ¥899,918 thousand during the three months ended August 31, 2025, and amounted to ¥899,918 thousand as of the end of the first quarter of the current consolidated fiscal year.

Going Concern Assumption

Not applicable.

Notes to Statement of Cashflow

The Company has not prepared quarterly consolidated statements of cash flows for the first quarter of the current fiscal year. Depreciation and amortization expenses (including amortization of intangible assets other than goodwill) and amortization of goodwill for the first quarter of the current fiscal year are as follows:

	Three months ended August 31, 2024 (From June 1, 2024 to August 31, 2024)	Three months ended August 31, 2025 (From June 1, 2025 to August 31, 2025)
Depreciation expense	16,623 thousand yen	21,509 thousand yen
Amortization of goodwill	2,773 thousand yen	2,773 thousand yen

Significant Subsequent Event

(Disposal of Treasury Shares as Restricted Stock for Employees)

The Company completed the disposal of treasury shares in the form of restricted stock pursuant to the resolution of the Board of Directors meeting held on August 20, 2025, as outlined below.

1. Outline of the Disposal

(1) Payment date	September 10, 2025
(2) Type and number of shares for disposal	Common stock of the Company 73,600 shares
(3) Disposal price	3,165 yen per share
(4) Total disposal amount	232,944,000 yen
(5) Recipients of allotment	73,600 shares to 8 employees

2. The Purpose and Reasons for the Disposal

The Company has resolved to grant monetary claims in the total amount of 232,944,000 yen to 8 employees in order to incentivize them to contribute to the sustainable enhancement of the Company's corporate value and to further promote value-sharing with the Company's shareholders, and to allot 73,600 shares of the Company's common stock as restricted stock by way of in-kind contribution of such monetary claims.

(Acquisition of Equity Interests of Subsidiary)

1. Outline of the Transaction

(1)	Name of the Combining Companies and description of its business	
	Name of the Combining Companies	X-AI.Labo, Inc.
	Business description	Solution engineering for data-driven management using AI technology
(2)	Date of combination	30 September 2025 (date of stock acquisition)
(3)	Legal form of the business combination	Acquisition of shares from non-controlling interests
(4)	Name after the combination	No change in the company name
(5)	Other items related to this transaction	The Company resolved to make X-AI Labo, Inc., a subsidiary of the Company, a wholly owned subsidiary by acquiring an additional 22% of its common shares, and entered into a share acquisition agreement on September 25, 2025.

2. Outline of the Accounting Treatment

Based on the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019), this transaction will be accounted for as a transaction with non-controlling interests under transactions among entities under common control.

3. Items to be Disclosed in Connection with the Acquisition of Additional Shares of a Subsidiary

Breakdown of Acquisition Cost and Form of Consideration

Consideration Paid for Acquisition	Cash	410,874 thousand yen
Acquisition cost		410,874 thousand yen

4. Changes in the Company's Equity Interests Arising from Transactions with Non-Controlling Shareholders

(1) Major Factors for Changes in Capital Surplus

Acquisition of Equity Interests of Subsidiary

(2) Changes in Capital Surplus Arising from Transactions with Non-Controlling Shareholders

It has not yet been determined at this time.