# Summary of Consolidated Financial Results for the Year Ended April 30, 2024 (Based on Japanese GAAP)

June 7, 2024

| | | | | | |
|---|---|---|---|---|---|
| Company Name: | gumi Inc. | | | Stock exchange listing: | Tokyo |
| Stock code: | 3903 | | URL | https:// gu3.co.jp/ | |
| Representative: | Title | CEO | Name | Hiroyuki Kawamoto | |
| Inquiries: | Title | COO | Name | Makoto Motoyoshi | (TEL) 03 (5358) 5322 |
| Scheduled date of ordinary general meeting of shareholders: | | | | July 26 2024 | |
| Scheduled date to file Securities Report: | | | | July 26 2024 | |
| Scheduled date to commence dividend payments | | | | — | |
| Preparation of supplementary material on financial results: | | | Yes | | |
| Holding of quarterly financial results meeting: | | | Yes | | |

(Amounts less than one million yen are rounded down)

1.Consolidated financial results for the year ended April 30, 2024 (from May 1, 2023 to April 30, 2024)

(1) Consolidated operating results (cumulative) (Percentages indicateyear-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 | % |
| Year ended April 30, 2024 | 12,066 | △24.6 | △5,040 | — | △4,514 | — | △5,934 | — |
| Year ended April 30, 2023 | 16,009 | △15.5 | 447 | — | △19 | — | 445 | — |

Note. Comprehensive income: FYE April 30, 2024: △6,225 millions of yen ( — %) FYE April 30, 2023: △1,267 millins of yen ( — %)

| | Earnigs per share | Diluted earnings per share | Profit attributable to owners of parent/equity | Ordinary profit/ total assets | Operating profit/ net sales |
|---|---|---|---|---|---|
| | Yen | Yen | % | % | % |
| As of April 30, 2024 | △150.03 | — | △39.4 | △19.7 | △41.8 |
| As of April 30, 2023 | 13.83 | 13.05 | 3.3 | △0.1 | 2.8 |

Notes: 1. Due to net loss, the diluted earnings per share in FYE April 30, 2024 is not listed above.

(2) Consolidatd financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| | Millions of yen | Millions of yen | % | Yen |
| As of April 30, 2024 | 19,332 | 12,242 | 61.8 | 301.84 |
| As of April 30, 2023 | 26,550 | 18,664 | 68.3 | 459.40 |

（Reference）Equity capital : FYE April 30, 2024 11,947 millions of yen FYE April 30, 2023 18,137 millions of 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 |
| Year ended April 30, 2024 | △5,147 | 152 | △898 | 4,778 |
| Year ended April 30, 2023 | △171 | △2,346 | 6,711 | 10,564 |

2. Cash dividends

| | Annual dividends per share | | | | | Total cash dividends (Total) | Dividend payout ratio (consolidated) | Ratio of dividends to net assets（Consolidated) |
|---|---|---|---|---|---|---|---|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| FYE April 30, 2023 | — | 0. 00 | — | 5. 00 | 5. 00 | 197 | 36.2 | 1.3 |
| FYE April 30, 2024 | — | 0. 00 | — | 0. 00 | 0. 00 | — | — | — |
| FYE April 30, 2025 (Forecast) | — | — | — | — | — | | — | |

Notes: 1. It is undetermined for the dividends in FYE April 30, 2025

3. Forecast of consolidated financial results FYE April 30, 2025 (May 1, 2024 to April 30, 2025)

Due to volatility of our business environmental changes, it is difficult to calculate and predict our accurate financial results. Therefore, we do not publish forecast of our business.

※ Notes

(1) Changes in significant subsidiaries during the Year eneded April 30, 2024 (changes in specified subsidiaries with the change in the scope of consolidation) : No

Newly consolidated: - company (company name) -, Excluded: - company (company name) -

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

1) Changes in accounting policies due to the revision of accounting standards : Not applicable
2) Changes in accounting policies other than 1) : Not applicable
3) Changes in accounting estimates : Not applicable
4) Restatements : Not applicable

(3) Total number of issued shares (Common stock)

| | | | | |
|---|---|---|---|---|
| 1) Total number of issued shares at the end of the period (including treasury shares) | As of April 30, 2024 | 39,581,734 Shares | As of April 30, 2023 | 39,481,234 shares |
| 2) Total number of treasury shares at the end of the period | As of April 30, 2024 | ― shares | As of April 30, 2023 | ― shares |
| 3) Average number of shares during the period (cumulative) | As of April 30, 2024 | 39,552,095 shares | As of April 30, 2023 | 32,241,761 shares |

Reference: Non-consolidated financial summary

1. Non-consolidated financial results for the year ended April 30, 2024 (from May 1, 2023 to April 30, 2024)

(1) Non-consolidated operating results (cumulative) (Percentages indicateyear-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 | % |
| Year ended April 30, 2024 | 12,425 | △21.9 | △5,290 | ― | △5,347 | ― | △9,356 | ― |
| Year ended April 30, 2023 | 15,899 | △15.3 | 171 | ― | 811 | ― | 862 | ― |

| | Earnigs per share | Diluted earnings per share |
|---|---|---|
| | Yen | Yen |
| As of April 30, 2024 | △236.55 | ― |
| As of April 30, 2023 | 26.74 | 25.24 |

(2) Non-consolidatd financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| | Millions of yen | Millions of yen | % | Yen |
| As of April 30, 2024 | 18,132 | 5,125 | 26.6 | 122.04 |
| As of April 30, 2023 | 25,845 | 14,653 | 55.3 | 361.74 |

（Reference）Equity capital : FYE April 30, 2024 4,830 millions of yen FYE April 30, 2023 14,281 millions of yen

* These financial results are outside the scope of annual review by certified public accountants and audit firms.

* Explanation for the appropriate use of performance forecast and other special notes:

(Cautionary note on forward-looking statements)

The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Thereore, there might be cases in which actual results differ materially from forecast values due to various factors.

**Consolidated financial statements**

Consolidated balance sheets

(Thousands of yen)

| | As of April 30, 2023 | As of April 30, 2024 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 10,464,169 | 4,778,622 |
| Accounts receivable - trade and contract assets | 1,696,053 | 2,183,320 |
| Prepaid expenses | 557,887 | 541,509 |
| Accounts receivable - other | 1,515,380 | 898,276 |
| Income taxes refund receivable | 20,056 | 69,430 |
| Crypto assets | 441,953 | 2,635,062 |
| Other current assets | 704,522 | 839,092 |
| Total current assets | 15,400,024 | 11,945,314 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings | 272,984 | 284,624 |
| Accumulated depreciation | △ 154,467 | △ 187,192 |
| Buildings, net | 118,516 | 97,431 |
| Tools, furniture and fixtures | 394,880 | 472,015 |
| Accumulated depreciation | △ 347,305 | △ 405,334 |
| Tools, furniture and fixtures, net | 47,575 | 66,681 |
| Total property, plant and equipment | 166,091 | 164,113 |
| Intangible assets | | |
| Software | 122,844 | 14,175 |
| Software in progress | 4,284,682 | 486,021 |
| Other intangible assets | 600 | 500 |
| Total intangible assets | 4,408,127 | 500,696 |
| Investment and other assets | | |
| Leasehold and guarantee deposits | 201,510 | 203,159 |
| Investment securities | 3,127,451 | 2,754,074 |
| Shares of subsidiaries and associates | 208,860 | 147,589 |
| Investments in other securities of subsidiaries and associates | 2,565,378 | 3,062,511 |
| Deffered tax assets - long term - | 94,942 | 68,755 |
| Other investments | 378,093 | 536,358 |
| Allowance for doubtful accounts | ― | △ 49,999 |
| Total investments and other assets | 6,576,237 | 6,722,448 |
| Total non-current assets | 11,150,456 | 7,387,258 |
| Total assets | 26,550,480 | 19,332,572 |

(Thousands of yen)

| | As of April 30, 2023 | As of April 30, 2024 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 401,116 | 290,944 |
| Short-term borrowings | — | 1,000,000 |
| Current portion of bonds payable | 160,000 | 480,000 |
| Current portion of long-term borrowings | 2,126,817 | 1,506,124 |
| Accounts payable - other | 987,745 | 783,455 |
| Accrued expenses | 71,042 | 49,645 |
| Income taxes payable | 170,692 | 459,029 |
| Accrued consumption taxes | 394,358 | 47,487 |
| Deposits received | 83,039 | 49,980 |
| Provision for bonuses | 74,394 | 46,502 |
| Other current liabilities | 459,496 | 608,547 |
| Total current liabilities | 4,928,702 | 5,321,715 |
| Non-current liabilities | | |
| Bonds Payable | 260,000 | 620,000 |
| Long-term borrowings | 2,394,726 | 633,783 |
| Asset retirement oblitations | 87,154 | 90,290 |
| Deffered tax liabilities | 215,753 | 63,519 |
| Other non-current liabilities | — | 360,642 |
| Total non-current liabilities | 2,957,634 | 1,768,235 |
| Total liabilities | 7,886,337 | 7,089,951 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 13,080,578 | 13,119,471 |
| Capital surplus | 5,029,958 | 323,727 |
| Retained earnings | △ 1,772,230 | △ 3,158,534 |
| Total shareholders' equity | 16,338,306 | 10,284,663 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,058,092 | 174,308 |
| Foreign currency translation adjustment | 741,125 | 1,488,494 |
| Total accumulated other comprehensive income | 1,799,217 | 1,662,802 |
| Share acquisition rights | 371,271 | 294,634 |
| Non-controlling interests | 155,347 | 519 |
| Total net assets | 18,664,143 | 12,242,620 |
| Total liabilities and net assets | 26,550,480 | 19,332,572 |

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

Consolidated statements of income (cumulative)

(Thousands of yen)

| | Fiscal year ended April 30, 2023 | Fiscal year ended April 30, 2024 |
|---|---|---|
| Net sales | 16,009,705 | 12,066,565 |
| Cost of Sales | 12,576,117 | 13,623,752 |
| Gross profit (loss) | 3,433,588 | △ 1,557,186 |
| Selling, general and admistrative expenses | 2,986,404 | 3,483,049 |
| Operating profit (loss) | 447,184 | △ 5,040,235 |
| Non-operating income | | |
| Interest and dividend income | 1,087 | 15,755 |
| Gain on investments in investment partnerships | 41,524 | 59,633 |
| Gain on valuation of Crypto Assets | ― | 595,048 |
| Gain on sale of Crypto Assets | ― | 66,039 |
| Subsidy income | 11,561 | 604 |
| Share of profit of entities accounted for using equity method | 61,073 | 62,639 |
| Other non-operating income | 17,330 | 24,266 |
| Total non-operating income | 132,577 | 823,988 |
| Non-operating expenses | | |
| Interest expenses | 50,061 | 59,554 |
| Foreign exchange losses | 97,538 | 77,004 |
| Share issuance costs | 59,933 | ― |
| Donations | ― | 240 |
| Loss on valuation of Crypto Assets | 344,261 | ― |
| Provision of allowance for doubtful accounts | ― | 49,999 |
| Bad debt expenses | ― | 14,906 |
| Miscellaneous losses | 9 | 78,333 |
| Other non-operating expenses | 47,005 | 17,728 |
| Total non-operating expenses | 598,809 | 297,767 |
| Ordinary loss | △ 19,048 | △ 4,514,014 |
| Extraordinary income | | |
| Gain on sale of investment securities | 352,177 | 2,418,586 |
| Gain on liquidation of subsidiaries and associates | 16,316 | ― |
| Gain on reversal of share acquisition rights | 2,072 | 7,872 |
| Total extraordinary income | 370,566 | 2,426,458 |
| Extraordinary losses | | |
| Impairement losses | ― | 2,823,659 |
| Loss on valuation of investment securities | 204,922 | 259,369 |
| Loss on valuation of shares of subsidiaries and associates | 254,653 | 48,291 |
| Loss on liquidation of subsidiaries and associates | ― | 17,683 |
| Business restructuring cost | ― | 83,828 |
| Total extraordinary losses | 459,575 | 3,232,833 |
| Loss before income taxes | △ 108,057 | △ 5,320,389 |
| Income taxes - current | 68,925 | 440,327 |
| Income taxes - deffered | △ 300,013 | 328,138 |
| Total income taxes | △ 231,088 | 768,465 |
| Profit (loss) | 123,030 | △ 6,088,855 |
| Loss attributable to non-controlling interests | △ 322,903 | △ 154,828 |
| Profit (loss) attributable to owner of parent | 445,933 | △ 5,934,026 |

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

| | Fiscal year ended April 30, 2023 | Fiscal year ended April 30, 2024 |
|---|---|---|
| Profit (loss) | 123,030 | △ 6,088,855 |
| Other comprehenxive income | | |
| Valuation difference on available-for-sale securities | 986,941 | △ 883,783 |
| Foreign currency translation adjustment | 174,459 | 738,404 |
| Share of other comprehensive income of entities accounted for using equity method | △ 16,634 | 8,963 |
| Total other comprehensive income | 1,144,765 | △ 136,414 |
| Comprehensive income | 1,267,796 | △ 6,225,270 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 1,590,699 | △ 6,070,441 |
| Comprehensive income attributable to non-controlling interests | △ 322,903 | △ 154,828 |

**Consolidated statements of changes in equity**

Fiscal year ended April 30, 2023

(Thousands of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginnig of period | 9,417,653 | 3,425,432 | △ 2,218,164 | △ 2,058,370 | 8,566,551 |
| Changes during period | | | | | |
| Issuance of new shares | 3,662,925 | 3,662,925 | | | 7,325,850 |
| Purchase of treasury shares | | | | △ 29 | △ 29 |
| Disposal of treasury shares | | △ 2,058,399 | | 2,058,399 | – |
| Profit (loss) attributable to owners of parent | | | 445,933 | | 445,933 |
| Net changes in items other than shareholders' equity | | | | | – |
| Total changes during period | 3,662,925 | 1,604,525 | 445,933 | 2,058,370 | 7,771,754 |
| Balance at end of period | 13,080,578 | 5,029,958 | △ 1,772,230 | – | 16,338,306 |

| | Accumulated other comprehensive income | | | Share acquisition rights | Non-controlling interests | Total net assets |
|---|---|---|---|---|---|---|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income | | | |
| Balance at beginnig of period | 71,151 | 583,300 | 654,451 | 385,108 | 478,251 | 10,084,362 |
| Changes during period | | | | | | |
| Issuance of new shares | | | | | | 7,325,850 |
| Purchase of treasury shares | | | | | | △ 29 |
| Disposal of treasury shares | | | | | | – |
| Profit (loss) attributable to owners of parent | | | | | | 445,933 |
| Net changes in items other than shareholders' equity | 986,941 | 157,824 | 1,144,765 | △ 13,836 | △ 322,903 | 808,025 |
| Total changes during period | 986,941 | 157,824 | 1,144,765 | △ 13,836 | △ 322,903 | 8,579,780 |
| Balance at end of period | 1,058,092 | 741,125 | 1,799,217 | 371,271 | 155,347 | 18,664,143 |

**Consolidated statements of changes in equity**

Fiscal year ended April 30, 2024

(Thousands of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginnig of period | 13,080,578 | 5,029,958 | △ 1,772,230 | — | 16,338,306 |
| Changes during period | | | | | |
| Issuance of new shares | 38,892 | 38,892 | | | 77,784 |
| Deficit disposition | | △ 4,547,722 | 4,547,722 | | — |
| Dividends of surplus - other capital surplus | | △ 197,400 | | | △ 197,400 |
| Profit (loss) attributable to owners of parent | | | △ 5,934,026 | | △ 5,934,026 |
| Net changes in items other than shareholders' equity | | | | | — |
| Total changes during period | 38,892 | △ 4,706,231 | △ 1,386,303 | — | △ 6,053,642 |
| Balance at end of period | 13,119,471 | 323,727 | △ 3,158,534 | — | 10,284,663 |

| | Accumulated other comprehensive income | | | Share acquisition rights | Non-controlling interests | Total net assets |
|---|---|---|---|---|---|---|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income | | | |
| Balance at beginnig of period | 1,058,092 | 741,125 | 1,799,217 | 371,271 | 155,347 | 18,664,143 |
| Changes during period | | | | | | |
| Issuance of new shares | | | | △ 76,637 | | 1,147 |
| Deficit disposition | | | | | | — |
| Dividends of surplus - other capital surplus | | | | | | △ 197,400 |
| Profit (loss) attributable to owners of parent | | | | | | △ 5,934,026 |
| Net changes in items other than shareholders' equity | △ 883,783 | 747,368 | △ 136,414 | | △ 154,828 | △ 291,243 |
| Total changes during period | △ 883,783 | 747,368 | △ 136,414 | △ 76,637 | △ 154,828 | △ 6,421,522 |
| Balance at end of period | 174,308 | 1,488,494 | 1,662,802 | 294,634 | 519 | 12,242,620 |

**Consolicated statements of cash flows**

(Thousands of yen)

| | Fiscal year ended April 30, 2023 | Fiscal year ended April 30, 2024 |
|---|---|---|
| Cash flows from operating activities | | |
| Loss before income taxes | △ 108,057 | △ 5,320,389 |
| Depreciation | 323,474 | 1,474,827 |
| Impairement losses | — | 2,823,659 |
| Share-based payment expenses | 42,273 | 7,246 |
| Bad debt expenses | — | 14,906 |
| Increase (decrease) in allowance for doubtful accounts | — | 49,999 |
| Increase (decrease) in provision for bonuses | △ 33,888 | △ 30,343 |
| Interest and dividend income | △ 1,087 | △ 15,755 |
| Interest expenses | 50,061 | 59,554 |
| Foreign exchange losses (gains) | 49,461 | 22,255 |
| Subsidy income | △ 11,561 | △ 604 |
| Share of loss (profit) of entities accounted for using equity method | △ 61,073 | △ 62,639 |
| Donations | — | 240 |
| Loss (gain) on investments in investment partnerships | △ 41,524 | △ 59,633 |
| Loss (gain) on valuation of crypto assets | 344,261 | △ 595,048 |
| Loss (gain) on sale of crypto assets | — | △ 66,039 |
| Loss on valuation of shares of subsidiaries and associates | 254,653 | 48,291 |
| Loss (gain) on sale of investment securities | △ 352,177 | △ 2,418,586 |
| Loss (gain) on valuation of investment securities | 204,922 | 259,369 |
| Decrease (increase) in trade receivables | 171,407 | △ 450,026 |
| Increase (decrease) in trade payables | 6,266 | △ 118,551 |
| Share issuance costs | 59,933 | — |
| Increase (decrease) in accounts payable - other | △ 156,999 | △ 221,693 |
| Increase (decrease) in accrued consumption taxes | 353,019 | △ 346,855 |
| Decrease (increase) in accounts receivable - other | △ 1,199,400 | 619,276 |
| Decrease (increase) in prepaid expenses | △ 22,638 | 18,828 |
| Decrease (increase) in long-term prepaid expenses | △ 179 | △ 125,229 |
| Decrease (increase) in consumption taxes refund receivable | 90,090 | △ 161,513 |
| Other, net | 189,218 | △ 506,945 |
| Subtotal | 134,138 | △ 5,091,589 |
| Interest and dividends received | 1,087 | 18,057 |
| Interest paid | △ 49,250 | △ 58,039 |
| Subsidies received | 11,561 | 604 |
| Donations paid | — | △ 240 |
| Income taxes refund (paid) | △ 268,900 | △ 15,930 |
| Net cash provided by (used in) operating activities | △ 171,363 | △ 5,147,137 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | △ 80,523 | △ 56,896 |
| Purchase of intangible assets | △ 1,745,557 | △ 1,286,714 |
| Proceeds from sale of investment securities | 349,654 | 2,421,506 |
| Proceeds from redemption of investment securities | — | 5,420 |
| Purchase of investment securities | △ 219,933 | △ 1,229,781 |
| Purchase of investments in other securities of subsidiaries and affiliates | △ 407,910 | △ 449,250 |
| Purchase of crypto assets | △ 588,961 | △ 733,475 |
| Proceeds from sale of crypto assets | — | 126,653 |
| Proceeds from distributions from investment partnerships | 333,303 | 423,352 |
| Payment for lease and guarantee deposits | △ 20,375 | △ 1,300 |
| Proceeds from repayment of lease and guarantee deposits | 64,176 | 1,065 |
| Proceeds from contribution received for joint developments | — | 946,400 |
| Payments for asset retirement obligations | △ 29,924 | — |
| Purchase of golf club membership | — | △ 14,713 |
| Net cash provided by (used in) investing activities | △ 2,346,051 | 152,266 |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | — | 1,000,000 |
| Proceeds from long-term borrowings | 4,888,000 | 1,000,000 |
| Repayments of long-term borrowings | △ 5,795,788 | △ 3,381,637 |
| Proceeds from issuance of bonds | 493,710 | 1,000,000 |
| Redemption of bonds | △ 80,000 | △ 320,000 |
| Proceeds from issuance of shares | 7,205,979 | 100 |
| Purchase of treasury shares | △ 29 | — |
| Dividends paid | — | △ 197,400 |
| Net cash provided by (used in) financing activities | 6,711,872 | △ 898,937 |
| Effect of exchange rate change on cash and cash equivalents | 67,025 | 108,204 |
| Net increase (decrease) in cash and cash equivalents | 4,261,483 | △ 5,785,603 |
| Cash and cash equivalents at beginning of period | 6,302,742 | 10,564,225 |
| Cash and cash equivalents at end of period | 10,564,225 | 4,778,622 |