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## Consolidated Financial Results for the Three Months Ended August 31, 2024 [Japanese GAAP]

October 9, 2024

Company name: GameWith, Inc.  
 Listing: Tokyo  
 Securities code: 6552  
 URL: <https://gamewith.co.jp>  
 Representative: Takuya Imaizumi President  
 Inquiries: Hideyuki Hiyoshi Director  
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 Scheduled date to commence dividend payments: -  
 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 Three Months Ended August 31, 2024 (June 1, 2024 to August 31, 2024)

#### (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	%
Three months ended August 31, 2024	807	(11.7)	(108)	-	(106)	-	(126)	-
August 31, 2023	914	14.5	44	468.0	26	424.1	(15)	-

(Note) Comprehensive income: Three months ended August 31, 2024: ¥ (132) million [ -%]  
 Three months ended August 31, 2023: ¥ (11) million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended August 31, 2024	(7.25)	-
August 31, 2023	(0.88)	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of August 31, 2024	3,601	2,787	77.4
May 31, 2024	3,884	2,920	75.2

(Reference) Equity: As of August 31, 2024: ¥ 2,787 million  
 As of May 31, 2024: ¥ 2,920 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2024	-	0.00	-	0.00	0.00
Fiscal year ending May 31, 2025	-				
Fiscal year ending May 31, 2025 (Forecast)		0.00	-	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2025(June 1, 2024 to May 31, 2025)

(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	3,500~ 4,000	0.1~ 14.4	(200)~200	- ~198.0	(220)~ 180	- ~292.3	(250)~ 150	-	(14.32)~8.59

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

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

Newly included: - (Company name: )  
Excluded: - (Company name: )

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

August 31, 2024: 18,348,200 shares  
May 31, 2024: 18,348,200 shares

2) Number of treasury shares at the end of the period:

August 31, 2024: 885,035 shares  
May 31, 2024: 885,035 shares

3) Average number of shares outstanding during the period:

Three months ended August 31, 2024: 17,463,165 shares  
Three months ended August 31, 2023: 17,822,465 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm:

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

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of May 31, 2024	As of August 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	2,828,978	2,481,972
Trade receivables and contract asset	441,496	509,157
Prepaid expenses	63,963	60,937
Consumption taxes refund receivable	17,603	22,951
Other	11,519	19,778
Total current assets	3,363,561	3,094,797
Non-current assets		
Property, plant and equipment	52,008	51,460
Intangible assets		
Goodwill	14,541	7,852
Other	3,529	7,964
Total intangible assets	18,071	15,817
Investments and other assets	450,484	439,089
Total non-current assets	520,563	506,366
Total assets	3,884,125	3,601,164
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	127,189	161,181
Current portion of long-term borrowings	260,004	239,984
Accounts payable - other	84,544	93,253
Accrued expenses	120,651	150,065
Income taxes payable	21,841	3,883
Contract liabilities	97,834	33,182
Provision for bonuses	80,400	42,102
Provision for contract loss	56,250	-
Other	43,631	62,000
Total current liabilities	892,349	785,653
Non-current liabilities		
Long-term borrowings	43,314	-
Asset retirement obligations	27,672	27,671
Total non-current liabilities	70,986	27,671
Total liabilities	963,335	813,324
<b>Net assets</b>		
Shareholders' equity		
Share capital	553,809	553,809
Capital surplus	552,808	552,808
Retained earnings	2,199,108	2,072,577
Treasury shares	(400,058)	(400,058)
Total shareholders' equity	2,905,668	2,779,136
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,344	8,130
Foreign currency translation adjustment	776	573
Total accumulated other comprehensive income	15,121	8,703
Total net assets	2,920,789	2,787,839
Total liabilities and net assets	3,884,125	3,601,164

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the three months)

(Thousands of yen)

	For the three months ended August 31, 2023	For the three months ended August 31, 2024
Net sales	914,441	807,117
Cost of sales	507,205	554,861
Gross profit	407,235	252,255
Selling, general and administrative expenses	362,516	360,928
Operating profit (loss)	44,719	(108,672)
Non-operating income		
Interest income	25	246
Gain on investments in investment partnerships	-	3,590
Foreign exchange gains	1,187	-
Other	71	52
Total non-operating income	1,284	3,890
Non-operating expenses		
Interest expenses	551	311
Loss on investments in investment partnerships	4,351	-
Foreign exchange losses	-	1,112
Share of loss of entities accounted for using equity method	5,639	184
Penalty	9,100	-
Other	6	94
Total non-operating expenses	19,648	1,704
Ordinary profit (loss)	26,355	(106,486)
Profit (loss) before income taxes	26,355	(106,486)
Income taxes - current	18,343	1,087
Income taxes - deferred	23,697	18,957
Total income taxes	42,040	20,045
Loss	(15,685)	(126,531)
Loss attributable to owners of parent	(15,685)	(126,531)

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Thousands of yen)

	For the three months ended August 31, 2023	For the three months ended August 31, 2024
Loss	(15,685)	(126,531)
Other comprehensive income		
Valuation difference on available-for-sale securities	1,512	(6,214)
Foreign currency translation adjustment	2,199	(203)
Total other comprehensive income	3,712	(6,417)
Comprehensive income	(11,973)	(132,949)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(11,973)	(132,949)
Comprehensive income attributable to non-controlling interests	-	-