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March 13, 2025

Financial Results for the Three Months Ended January 31, 2025 (Under Japanese GAAP)

Company name: Timee, Inc.
Listing: Tokyo Stock Exchange
Securities code: 215A
URL: http://corp.timee.co.jp/
Representative: Ryo Ogawa, Representative Director and CEO
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and securities analysts)

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

1. Financial results for the three months ended January 31, 2025 (from November 1, 2024 to January 31, 2025)

(1) Operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2025	8,642	–	1,413	–	1,392	–	1,308	–
January 31, 2024	–	–	–	–	–	–	–	–

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
January 31, 2025	13.44	12.29
January 31, 2024	–	–

Note: The figures for the three months ended January 31, 2024 and the percentages of year-on-year changes are not stated, as the Company has not prepared the quarterly financial statements for the three months ended January 31, 2024.

(2) Financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
January 31, 2025	30,979	10,423	33.6
October 31, 2024	26,575	9,095	34.2

Reference: Equity
As of January 31, 2025: ¥10,405 million
As of October 31, 2024: ¥ 9,078 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended October 31, 2024	–	0.00	–	0.00	0.00
Fiscal year ending October 31, 2025	–	0.00	–		
Fiscal year ending October 31, 2025 (Forecast)				0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Financial results forecast for the fiscal year ending October 31, 2025 (from November 1, 2024 to October 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	34,394 ~35,700	28.0 ~32.8	6,000 ~6,710	41.3 ~58.0	5,943 ~6,653	51.4 ~69.5	4,382 ~4,932	56.7 ~76.3	45.12 ~50.78

Notes 1. Revisions to the financial results forecast most recently announced: None

2. Financial results forecast for the fiscal year ending October 31, 2025 is disclosed with range. As the Company manages its operations on an annual basis, financial results forecast for the first six months are omitted. For further details, reference documents are the attached materials, "1. Qualitative Information on Quarterly Financial Results, (3) Explanation of Financial Results Forecast and Other Forward-looking Information."

*** Notes**

(1) Adoption of accounting treatments specific to the preparation of quarterly financial statements: None

(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 stock)

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

As of January 31, 2025	97,533,000 shares
As of October 31, 2024	97,122,000 shares

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

As of January 31, 2025	– shares
As of October 31, 2024	– shares

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

Three months ended January 31, 2025	97,312,000 shares
Three months ended January 31, 2024	– shares

Note: The average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) for the three months ended January 31, 2024 is not stated, as the Company has not prepared the quarterly financial statements for the three months ended January 31, 2024.

* Review of the Japanese-language originals of the attached quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of financial results forecast and other special matters

The financial results forecast and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and they are not intended to be a promise by the Company that they will be achieved. Actual results may differ significantly from those forecasts due to a wide range of factors. For the above-mentioned financial results forecast, please refer to page 3 of the attached documents, “1. Qualitative Information on Quarterly Financial Results, (3) Explanation of Financial Results Forecast and Other Forward-looking Information.”

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

Forward-looking statements herein were determined as of the end date of the quarter of the fiscal year under review.

Under the vision “Helping individuals create more valuable time” and having a mission “Building infrastructure for expanding life’s possibilities through work,” the Company provides on-demand job platform “Timee,” a fee-charging employment placement business that matches “time when someone wants to work” and “time when workers are needed” across the country. Different from conventional recruitment platforms, jobs which are matched on “Timee” are based on direct employment between clients and workers on a one-day basis.

During the three months ended January 31, 2025, despite continued stagnation in certain areas of private consumption and other variables, the Japanese economy continued to recover moderately due to an improvement in employment and income conditions, and an increase in inbound demand. Meanwhile, the outlook still remains uncertain due to factors such as an unstable global situation, depreciation of the yen and rising prices, as well as the impact of monetary policy.

In the labor market, the regional minimum wages in each prefecture have been revised, and the national average of the minimum wage has risen to 1,055 yen per hour, up 51 yen year on year. In addition, as labor shortages become chronic for society as a whole amid the declining population, falling birthrate, and aging society, there are expanding needs for acceptance of outside personnel by companies and diverse ways of working. Accordingly, we believe that demand for our business that offers new ways of working will further expand.

In such a social and economic environment for Japan and the market environment surrounding the Company which is a serious labor shortage mainly during the year end and new year holidays, our matching business facilitated the mobility of human resources and continued to increase the number of registered client accounts and active accounts (registered client account that posted at least one job listing in a month) of our services including those in the logistics and retail industries. Furthermore, we strove to enhance marketing efficiency by continuously monitoring advertising market trends and customer responses for each advertising medium as well as CPI*1. Marketing activities through digital ads, mainly targeting workers, resulted in a considerable increase in the number of registered workers. Although selling, general and administrative expenses include costs related to preventing service misuse, the Company implemented disciplined investments with cost control and operating profit increased significantly year on year.

As a result, the number of registered workers exceeded 10.4 million and the number of registered client accounts exceeded 343 thousand during the three months ended January 31, 2025, generating transaction volume (the total amount of wages and transportation expenses paid to workers) of 29,905 million yen (up 39.6% year on year).

For the three months ended January 31, 2025, the Company reported net sales of 8,642,903 thousand yen, operating profit of 1,413,446 thousand yen, ordinary profit of 1,392,053 thousand yen and profit of 1,308,561 thousand yen.

Figures by segment are omitted, because the Company operates a single business segment of the “Timee” business.

*1. CPI, an abbreviation of cost per install, refers to acquisition cost per new worker.

(2) Explanation of Financial Position

(Assets)

Current assets as of the end of the first quarter under review were 29,260,946 thousand yen, up 3,900,100 thousand yen compared with the end of the previous fiscal year. This was mainly due to a 4,077,340-thousand-yen increase in cash and deposits because of borrowings. Also, non-current assets as of the end of the first quarter under review were 1,718,114 thousand yen, up 503,951 thousand yen compared with the end of the previous fiscal year. This was mainly due to a 141,335-thousand-yen increase in leasehold improvements related to the head office where we increased floor space, and a 361,283-thousand-yen increase in deferred tax assets.

As a result, total assets were 30,979,061 thousand yen, up 4,404,051 thousand yen compared with the end of the previous fiscal year.

(Liabilities)

Current liabilities as of the end of the first quarter under review were 19,811,318 thousand yen, up 3,112,213 thousand yen compared with the end of the previous fiscal year. This was mainly due to a 5,100,000-thousand-yen increase in short-term borrowings for paying advances for business expansion and a 923,352-thousand-yen decrease in accounts payable - other and a 838,954-thousand-yen decrease in income taxes payable for paying income taxes. Also, non-current liabilities as of the end of the first quarter under review were 744,090 thousand yen, down 35,823 thousand yen compared with the end of the previous fiscal year. This was mainly due to a 34,980-thousand-yen decrease in long-term borrowings as a result of repayment of borrowings.

As a result, total liabilities were 20,555,408 thousand yen, up 3,076,390 thousand yen compared with the end of the previous fiscal year.

(Net assets)

Net assets as of the end of the first quarter under review were 10,423,652 thousand yen, up 1,327,660 thousand yen compared with the end of the previous fiscal year. This was mainly due to an increase in retained earnings as a result of recorded profit of 1,308,561 thousand yen for the three months ended January 31, 2025.

(3) Explanation of Financial Results Forecast and Other Forward-looking Information

The financial results forecast for the full year ending October 31, 2025 remains unchanged from the financial results forecast that the Company disclosed dated December 12, 2024.

2. Quarterly Financial Statements and Principal Notes

(1) Quarterly Balance Sheets

(Thousands of Yen)

	As of October 31, 2024	As of January 31, 2025
Assets		
Current assets		
Cash and deposits	12,238,870	16,316,210
Accounts receivable - trade	3,097,521	3,012,360
Accounts receivable - other	1,005	1,379
Advances paid	9,747,779	9,490,195
Advance payments	7,470	-
Prepaid expenses	338,881	508,363
Allowance for doubtful accounts	(70,681)	(67,562)
Total current assets	25,360,846	29,260,946
Non-current assets		
Property and equipment		
Leasehold improvements	338,519	479,854
Vehicles	-	6,588
Tools, furniture and fixtures	446,625	477,223
Leased assets	21,600	21,600
Accumulated depreciation	(299,435)	(321,662)
Total property and equipment	507,309	663,603
Investments and other assets		
Investments in capital	10	10
Guarantee deposits	440,388	427,294
Long-term prepaid expenses	2,906	2,374
Deferred tax assets	263,548	624,832
Total investments and other assets	706,853	1,054,510
Total non-current assets	1,214,163	1,718,114
Total assets	26,575,010	30,979,061

(Thousands of Yen)

	As of October 31, 2024	As of January 31, 2025
Liabilities		
Current liabilities		
Short-term borrowings	10,500,000	15,600,000
Current portion of long-term borrowings	143,315	141,278
Lease liabilities	3,295	3,326
Accounts payable - other	2,185,159	1,261,806
Accrued expenses	1,665,447	1,800,707
Advances received	84,089	52,460
Refund liabilities	-	1,504
Deposits received	82,184	52,206
Income taxes payable	1,366,379	527,425
Accrued consumption taxes	669,233	370,602
Total current liabilities	16,699,104	19,811,318
Non-current liabilities		
Long-term borrowings	765,100	730,120
Lease liabilities	14,813	13,970
Total non-current liabilities	779,913	744,090
Total liabilities	17,479,018	20,555,408
Net assets		
Shareholders' equity		
Share capital	149,472	158,355
Capital surplus	7,026,266	7,035,149
Retained earnings	1,902,950	3,211,512
Total shareholders' equity	9,078,689	10,405,017
Share acquisition rights	17,302	18,635
Total net assets	9,095,992	10,423,652
Total liabilities and net assets	26,575,010	30,979,061

(2) Quarterly Statements of Operations

Three Months Ended January 31

(Thousands of Yen)

	For the three months ended January 31, 2025
Net sales	8,642,903
Cost of sales	432,016
Gross profit	8,210,887
Selling, general and administrative expenses	6,797,440
Operating profit	1,413,446
Non-operating income	
Interest income	195
Gain on sale of non-current assets	1,015
Income from point programs	4,863
Miscellaneous income	2,861
Total non-operating income	8,936
Non-operating expenses	
Interest expenses	30,036
Loss on disposal of property and equipment	122
Miscellaneous expenses	171
Total non-operating expenses	30,329
Ordinary profit	1,392,053
Profit before income taxes	1,392,053
Income taxes – current	444,774
Income taxes – deferred	(361,283)
Total income taxes	83,491
Profit	1,308,561

(3) Notes to Quarterly Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on segment information, etc.)

[Segment information]

Segment information is omitted because the Company operates a single business segment of the "Timee" business.

(Notes on statements of cash flows)

Quarterly statements of cash flows for the three months ended January 31, 2025 have not been prepared.

Depreciation for the three months ended January 31, 2025 is as follows:

(Thousands of Yen)

	For the three months ended January 31, 2025
Depreciation	50,605