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Consolidated Financial Results for the Year Ended December 31, 2024 [Japanese GAAP]

February 14, 2025

Company name: giftee Inc.
Listing: Tokyo
Securities code: 4449
URL: https://giftee.co.jp
Representative: Mutsumi Ota Representative Director and CEO
Inquiries: Yoshikazu Fujita Director and CFO
Telephone: +81-3-6303-9318

Scheduled date of annual general meeting of shareholders: March 27, 2025
Scheduled date to commence dividend payments: -
Scheduled date to file annual securities report: March 27, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		EBITDA※		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	9,554	32.2	2,295	32.8	1,743	37.6	1,579	27.5	(510)	-
December 31, 2023	7,226	53.0	1,728	115.4	1,267	249.2	1,239	251.5	129	-

(Note) Comprehensive income: Fiscal year ended December 31, 2024: ¥ (414) million [-%]
Fiscal year ended December 31, 2023: ¥ 86 million [(4.9)%]

	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
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2024	(17.33)	-	(6.5)	5.0	18.2
December 31, 2023	4.43	3.97	1.6	5.9	17.5

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended December 31, 2024: ¥ (83) million
Fiscal year ended December 31, 2023: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	41,185	8,282	18.5	257.61
December 31, 2023	22,164	8,305	36.0	271.20

(Reference) Equity: As of December 31, 2024: ¥ 7,634 million
As of December 31, 2023: ¥ 7,972 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 the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	(3,593)	(1,531)	10,997	10,977
December 31, 2023	(3,734)	(1,046)	(102)	5,099

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
December 31, 2023	-	0.00	-	0.00	0.00	-	-	-
December 31, 2024	-	0.00	-	10.00	10.00	296	-	3.8
Fiscal year ending December 31, 2025 (Forecast)	-	0.00	-	13.00	13.00		-	

(Note) Breakdown of the year-end dividend for the fiscal year ended December 31, 2024 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA※		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	%	Millions of yen	%	Yen
Full year	14,298	49.7	3,551	54.7	2,408	38.1	2,192	38.8	-		-

* Notes:

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

Newly included: 4 (Company name:)

Excluded: - (Company name:)

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

December 31, 2024: 29,636,602 shares

December 31, 2023: 29,399,302 shares

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

December 31, 2024: 200 shares

December 31, 2023: 200 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended December 31, 2024: 29,443,043 shares

Fiscal Year ended December 31, 2023: 29,223,205 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	7,582	29.5	2,575	41.1	2,326	30.5	(516)	-
December 31, 2023	5,855	54.9	1,825	202.1	1,782	202.1	627	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2024	(17.53)	-
December 31, 2023	21.46	19.50

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	33,908	8,823	24.9	284.73
December 31, 2023	21,835	9,168	40.5	300.55

(Reference) Equity: As of December 31, 2024: ¥ 8,438 million
As of December 31, 2023: ¥ 8,835 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	5,099	10,977
Notes and accounts receivable - trade, and contract assets	8,088	11,219
Inventories	118	365
Advance payments to suppliers	1,830	7,438
Prepaid expenses	347	889
Other	30	175
Allowance for doubtful accounts	(21)	(77)
Total current assets	15,493	30,988
Non-current assets		
Property, plant and equipment		
Buildings, net	167	153
Tools, furniture and fixtures, net	37	78
Total property, plant and equipment	204	232
Intangible assets		
Software	439	975
Software in progress	113	102
Trademark right	320	12
Goodwill	1,608	4,604
Other	0	0
Total intangible assets	2,482	5,695
Investments and other assets		
Investment securities	3,620	3,844
Leasehold and guarantee deposits	211	266
Deferred tax assets	149	155
Other	2	2
Total investments and other assets	3,983	4,268
Total non-current assets	6,670	10,196
Total assets	22,164	41,185

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,802	4,471
Short-term borrowings	-	9,000
Current portion of long-term borrowings	157	929
Accounts payable - other	447	724
Accrued expenses	175	211
Income taxes payable	452	514
Contract liabilities	129	1,425
Deposits received	2,394	6,120
Other	102	66
Total current liabilities	5,662	23,464
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	7,010	-
Long-term borrowings	991	9,232
Retirement benefit liability	-	119
Asset retirement obligations	71	72
Deferred tax liabilities	107	2
Other	14	11
Total non-current liabilities	8,196	9,437
Total liabilities	13,858	32,902
Net assets		
Shareholders' equity		
Share capital	3,207	3,248
Capital surplus	3,194	3,235
Retained earnings	1,519	1,008
Treasury shares	(0)	(0)
Total shareholders' equity	7,919	7,492
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	78	113
Foreign currency translation adjustment	(25)	28
Total accumulated other comprehensive income	53	141
Share acquisition rights	332	622
Non-controlling interests	-	25
Total net assets	8,305	8,282
Total liabilities and net assets	22,164	41,185

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	7,226	9,554
Cost of sales	1,360	2,369
Gross profit	5,866	7,184
Selling, general and administrative expenses	4,599	5,440
Operating profit	1,267	1,743
Non-operating income		
Interest income	4	8
Interest on bonds	3	10
Foreign exchange gains	-	28
Income from point cord	5	-
Other	4	4
Total non-operating income	18	51
Non-operating expenses		
Interest expenses	6	39
Share of loss of entities accounted for using equity method	-	83
Loss on investments in investment partnerships	35	36
Foreign exchange losses	3	-
Commission expenses	-	51
Other	1	3
Total non-operating expenses	46	215
Ordinary profit	1,239	1,579
Extraordinary income		
Gain on reversal of share acquisition rights	23	15
Total extraordinary income	23	15
Extraordinary losses		
Impairment losses	-	1,250
Loss on retirement of non-current assets	-	3
Loss on valuation of investment securities	727	264
Total extraordinary losses	727	1,519
Profit before income taxes	534	76
Income taxes - current	497	714
Income taxes - deferred	(87)	(128)
Total income taxes	409	586
Profit (loss)	124	(510)
Loss attributable to non-controlling interests	(4)	-
Profit (loss) attributable to owners of parent	129	(510)

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Profit (loss)	124	(510)
Other comprehensive income		
Valuation difference on available-for-sale securities	(44)	34
Foreign currency translation adjustment	6	61
Total other comprehensive income	(38)	95
Comprehensive income	86	(414)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	91	(422)
Comprehensive income attributable to non-controlling interests	(4)	7

Consolidated Statements of Changes in Equity

For the fiscal year ended December 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,166	3,153	1,389	(0)	7,709
Changes during period					
Issuance of new shares	40	40			80
Profit (loss) attributable to owners of parent			129		129
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	40	40	129	(0)	209
Balance at end of period	3,207	3,194	1,519	(0)	7,919

	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 beginning of period	123	(31)	91	288	4	8,094
Changes during period						
Issuance of new shares						80
Profit (loss) attributable to owners of parent						129
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	(44)	6	(38)	44	(4)	1
Total changes during period	(44)	6	(38)	44	(4)	211
Balance at end of period	78	(25)	53	332	-	8,305

For the fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,207	3,194	1,519	(0)	7,919
Changes during period					
Issuance of new shares	41	41			83
Profit (loss) attributable to owners of parent			(510)		(510)
Purchase of treasury shares					-
Net changes in items other than shareholders' equity					
Total changes during period	41	41	(510)	-	(426)
Balance at end of period	3,248	3,235	1,008	(0)	7,492

	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 beginning of period	78	(25)	53	332	-	8,305
Changes during period						
Issuance of new shares						83
Profit (loss) attributable to owners of parent						(510)
Purchase of treasury shares						-
Net changes in items other than shareholders' equity	34	53	88	289	25	403
Total changes during period	34	53	88	289	25	(23)
Balance at end of period	113	28	141	622	25	8,282

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	534	76
Depreciation	170	218
Amortization of goodwill	223	234
Gain on reversal of share acquisition rights	(23)	(15)
Share-based payment expenses	67	72
Loss on valuation of investment securities	727	264
Loss (gain) on investments in investment partnerships	35	36
Impairment losses	-	1,250
Interest and dividend income	(4)	(8)
Interest expenses	6	39
Foreign exchange losses (gains)	3	(28)
Share of loss (profit) of entities accounted for using equity method	-	83
Decrease (increase) in accounts receivable - trade, and contract assets	(6,142)	(943)
Decrease (increase) in inventories	(41)	(3)
Decrease (increase) in advance payments to suppliers	(1,082)	(5,607)
Decrease (increase) in prepaid expenses	(25)	(20)
Increase (decrease) in trade payables	636	1,011
Increase (decrease) in accounts payable - other	94	94
Increase (decrease) in accrued expenses	25	38
Increase (decrease) in contract liabilities	89	(10)
Increase (decrease) in deposits received	1,100	394
Other, net	85	(84)
Subtotal	(3,518)	(2,905)
Interest and dividends received	1	6
Interest paid	(6)	(39)
Income taxes paid	(211)	(656)
Income taxes refund	0	0
Net cash provided by (used in) operating activities	(3,734)	(3,593)
Cash flows from investing activities		
Purchase of property, plant and equipment	(9)	(6)
Purchase of intangible assets	(170)	(196)
Proceeds from redemption of investment securities	47	-
Proceeds from refund of investment in partnerships	-	25
Purchase of investment securities	(840)	(586)
Proceeds from refund of leasehold and guarantee deposits	44	20
Payments of leasehold and guarantee deposits	(46)	(55)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(70)	(732)
Net cash provided by (used in) investing activities	(1,046)	(1,531)
Cash flows from financing activities		
Proceeds from short-term borrowings	-	25,700
Repayments of short-term borrowings	-	(16,700)
Proceeds from long-term borrowings	60	9,216
Repayments of long-term borrowings	(211)	(255)
Redemption of bonds	-	(7,000)
Other, net	48	37
Net cash provided by (used in) financing activities	(102)	10,997

Effect of exchange rate change on cash and cash equivalents	(0)	6
Net increase (decrease) in cash and cash equivalents	(4,884)	5,878
Cash and cash equivalents at beginning of period	9,983	5,099
Cash and cash equivalents at end of period	5,099	10,977