

Summary of Consolidated Financial Results for the Nine months Ended January 31, 2023 (Based on Japanese GAAP)



March 10, 2023

Company Name: gumi Inc. Stock exchange listing: Tokyo
 Stock code: 3903 URL: [https:// gu3.co.jp/](https://gu3.co.jp/)
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 Scheduled date to file Quarterly Securities Report March 10, 2023
 Scheduled date to commence dividend payments -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the Nine months ended January 31, 2023 (from May 1, 2022 to January 31, 2023)

(1) Consolidated operating results (cumulative)

(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	%
Nine months ended January 31, 2023	12,314	△12.8	501	—	18	—	222	—
Nine months ended January 31, 2022	14,128	△4.8	△1,921	—	△3,178	—	△5,129	—

Note. Comprehensive income: 3rd quarter of FYE April 30, 2023: 114 millions of yen (—%) 3rd quarter of FYE April 30, 2022: △5,104 millions of yen (—%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
As of January 31, 2023	7.42	7.31
As of January 31, 2022	△174.77	—

Notes. Due to net loss, the diluted earnings per share in 3rd quarter of FYE April 30, 2022 is not listed above.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of January 31, 2023	25,797	17,326	64.5
As of April 30, 2022	18,362	10,084	50.2

(Reference) Equity capital: 3rd quarter of FYE April 30, 2023 16,634 millions of yen FYE April 30, 2022 9,221 millions of yen

2. Cash dividends

	Annual dividends per share				
	1 st quarter-end	2 nd quarter-end	3 rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
FYE April 30, 2022	—	0.00	—	0.00	0.00
FYE April 30, 2023	—	0.00	—	—	—
FYE April 30, 2023 (Forecast)	—	—	—	—	—

Notes: 1. The amendments of latest published dividends forecast : No

2. It is undetermined for the dividends in FYE April 30, 2023

3. Forecast of consolidated financial results FYE April 30, 2023 (May 1, 2022 to April 30, 2023)

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 Therefore, we do not publish forecast of our business.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 Nine months ended January 31, 2023
(changes in specified subsidiaries with the change in the scope of consolidation) : No

(2) Applications of special accounting methods for preparing quarterly consolidated financial reports. : No

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

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

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

1) Total number of issued shares at the end of the period (including treasury shares)	As of January 31, 2023	39,249,234 Shares	As of April 30, 2022	31,271,400 shares
2) Total number of treasury shares at the end of the period	As of January 31, 2023	— shares	As of April 30, 2022	2,101,039 shares
3) Average number of shares during the period (cumulative)	As of January 31, 2023	29,966,814 shares	As of January 31, 2022	29,351,600 shares

* These quarterly consolidated financial results are outside the scope of quarterly 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. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

Quarterly consolidated financial statements

Consolidated balance sheets

	(Thousands of yen)	
	As of April 30, 2022	As of January 31, 2023
Assets		
Current assets		
Cash and deposits	6,302,742	12,024,741
Accounts receivable - trade and contract assets	1,852,967	2,131,298
Other current assets	1,856,398	1,980,918
Total current assets	10,012,108	16,136,958
Non-current assets		
Property, plant and equipment	128,663	170,272
Intangible assets		
Software	359,920	182,383
Software in progress	2,548,821	3,749,993
Other intangible assets	25,051	625
Total intangible assets	2,933,793	3,933,001
Investment and other assets		
Investment securities	1,687,546	1,716,131
Investments in other securities of subsidiaries and associates	2,340,035	2,483,220
Other investments	1,260,562	1,358,284
Total investment and other assets	5,288,143	5,557,636
Total non-current assets	8,350,600	9,660,911
Total assets	18,362,709	25,797,869

	(Thousands of yen)	
	As of April 30, 2022	As of January 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	393,015	299,070
Current portion of bonds payable	-	160,000
Current portion of long-term borrowings	3,049,208	2,210,083
Asset retirement obligations-CL	53,156	-
Income taxes payable	442,151	69,270
Provision for bonuses	106,754	40,656
Other current liabilities	1,698,293	1,887,633
Total current liabilities	5,742,578	4,666,714
Non-current liabilities		
Bonds payable	-	340,000
Long-term borrowings	2,368,124	3,379,552
Asset retirement obligations-NCL	64,763	84,024
Other non-current liabilities	102,880	1,410
Total non-current liabilities	2,535,767	3,804,986
Total liabilities	8,278,346	8,471,701
Net assets		
Shareholders' equity		
Share capital	9,417,653	12,992,422
Capital surplus	3,425,432	4,941,801
Retained earnings	△2,218,164	△1,995,938
Treasury shares	△2,058,370	-
Total shareholders' equity	8,566,551	15,938,285
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	71,151	75,913
Foreign currency translation adjustment	583,300	620,465
Total accumulated other comprehensive income	654,451	696,378
Share acquisition rights	385,108	362,941
Non-controlling interests	478,251	328,562
Total net assets	10,084,362	17,326,168
Total liabilities and net assets	18,362,709	25,797,869

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

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Nine months ended January 31, 2022	Nine months ended January 31, 2023
Net sales	14,128,786	12,314,032
Cost of Sales	12,888,095	9,439,562
Gross profit	1,240,690	2,874,470
Selling, general and administrative expenses	3,162,534	2,373,369
Operating profit (loss)	△1,921,843	501,101
Non-operating income		
Interest and dividend income	506	682
Subsidy income	2,276	74
Gain on sales of Crypto Assets	22,201	-
Gain from exemption of consumption tax	28,963	-
Share of profit of entities accounted for using equity method	-	74,681
Gain on investments in investment partnerships	12,070	25,168
Other non-operating income	12,551	6,586
Total non-operating income	78,570	107,194
Non-operating expenses		
Interest expenses	24,816	40,357
Foreign exchange losses	98,672	33,467
Share issuance costs	-	58,480
Loss on valuation of Crypto Assets	609,493	411,651
Share of loss of entities accounted for using equity method	601,240	-
Other non-operating expenses	1,128	46,194
Total non-operating expenses	1,335,352	590,150
Ordinary profit (loss)	△3,178,625	18,144
Extraordinary income		
Gain on sales of investment securities	65	-
Gain on reversal of share acquisition rights	-	2,072
Total extraordinary income	65	2,072
Extraordinary losses		
Impairment losses	1,906,092	-
Loss on valuation of investment securities	8,296	171,623
Loss on valuation of shares of subsidiaries and associates	145,643	57,999
Retirement benefits for directors (and other officers)	150,000	-
Total extraordinary losses	2,210,031	229,623
Loss before income taxes	△5,388,591	△209,406
Income taxes - current	55,055	△17,611
Income taxes - deferred	△177,299	△264,333
Total income taxes	△122,243	△281,944
Profit (loss)	△5,266,347	72,538
Loss attributable to non-controlling interests	△136,625	△149,688
Profit (loss) attributable to owners of parent	△5,129,722	222,226

Consolidated statements of comprehensive income (cumulative)

	(Thousands of yen)	
	Nine months ended January 31, 2022	Nine months ended January 31, 2023
Profit (loss)	△5,266,347	72,538
Other comprehensive income		
Valuation difference on available-for-sale securities	△22,638	4,761
Foreign currency translation adjustment	78,457	81,524
Share of other comprehensive income of entities accounted for using equity method	106,482	△44,359
Total other comprehensive income	162,302	41,926
Comprehensive income	△5,104,045	114,464
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△4,967,420	264,153
Comprehensive income attributable to non-controlling interests	△136,625	△149,688