

Summary of Consolidated Financial Results for the Year Ended April 30, 2023 (Based on Japanese GAAP)



June 9, 2023

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 2023		
Scheduled date to file Securities Report:			July 26 2023		
Scheduled date to commence dividend payments			July 27 2023		
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, 2023 (from May 1, 2022 to April 30, 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	%
Year ended April 30, 2023	16,009	△15.5	447	—	△19	—	445	—
Year ended April 30, 2022	18,942	1.7	△2,262	—	△3,890	—	△6,273	—

Note. Comprehensive income: FYE April 30, 2023: 1,267 millions of yen (— %) FYE April 30, 2022: △5,929 millions of yen (— %)

	Earnings 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, 2023	13.83	13.05	3.3	△0.1	2.8
As of April 30, 2022	△214.07	—	△49.4	△17.9	△11.9

Notes: 1. Due to net loss, the diluted earnings per share in FYE April 30, 2022 is not listed above.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of April 30, 2023	26,550	18,664	68.3	459.40
As of April 30, 2022	18,362	10,084	50.2	316.11

(Reference) Equity capital: FYE April 30, 2023 18,137 millions of yen FYE April 30, 2022 9,221 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, 2023	△171	△2,346	6,711	10,564
Year ended April 30, 2022	△2,473	398	△248	6,302

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (Consolidated)
	1 st quarter-end	2 nd quarter-end	3 rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FYE April 30, 2022	—	0.00	—	0.00	0.00	—	—	—
FYE April 30, 2023	—	0.00	—	5.00	5.00	197	36.2	1.3
FYE April 30, 2024 (Forecast)	—	—	—	—	—		—	

Notes: 1. It is undetermined for the dividends in FYE April 30, 2024

3. Forecast of consolidated financial results FYE April 30, 2024 (May 1, 2023 to April 30, 2024)

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 ended April 30, 2022

(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 : 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)
 2) Total number of treasury shares at the end of the period
 3) Average number of shares during the period (cumulative)

	As of April 30, 2023	39,481,234 Shares	As of April 30, 2022	31,271,400 shares
1) Total number of issued shares at the end of the period (including treasury shares)	As of April 30, 2023	39,481,234 Shares	As of April 30, 2022	31,271,400 shares
2) Total number of treasury shares at the end of the period	As of April 30, 2023	— shares	As of April 30, 2022	2,101,039 shares
3) Average number of shares during the period (cumulative)	As of April 30, 2023	32,241,761 shares	As of April 30, 2022	29,306,750 shares

Reference: Non-consolidated financial summary

1. Non-consolidated financial results for the year ended April 30, 2023 (from May 1, 2022 to April 30, 2023)

(1) Non-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	%
Year ended April 30, 2023	15,899	△15.3	171	—	811	—	862	—
Year ended April 30, 2022	18,764	1.5	△2,837	—	△3,136	—	△5,383	—

	Earnings per share	Diluted earnings per share
	Yen	Yen
As of April 30, 2023	26.74	25.24
As of April 30, 2022	△183.68	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of April 30, 2023	25,845	14,653	55.3	361.74
As of April 30, 2022	18,379	6,479	33.2	208.91

(Reference) Equity capital : FYE April 30, 2023 14,281 millions of yen FYE April 30, 2022 6,093 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. Therefore, 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, 2022	As of April 30, 2023
Assets		
Current assets		
Cash and deposits	6,302,742	10,464,169
Accounts receivable - trade and contract assets	1,852,967	1,696,053
Prepaid expenses	533,760	557,887
Accounts receivable - other	315,892	1,515,380
Income taxes refund receivable	213,049	20,056
Crypto assets	595,634	441,953
Other current asset	198,061	704,522
Total current assets	10,012,108	15,400,024
Non-current assets		
Property, plant and equipment		
Buildings	300,431	272,984
Accumulated depreciation	△ 206,767	△ 154,467
Buildings, net	93,663	118,516
Tools, furniture and fixtures	388,884	394,880
Accumulated depreciation	△ 353,885	△ 347,305
Tools, furniture and fixtures, net	34,999	47,575
Total property, plant and equipment	128,663	166,091
Intangible assets		
Software	359,920	122,844
Software in progress	2,548,821	4,284,682
Other intangible assets	25,051	600
Total intangible assets	2,933,793	4,408,127
Investment and other assets		
Leasehold and guarantee deposits	283,325	201,510
Investment securities	1,687,546	3,127,451
Shares of subsidiaries and associates	475,057	208,860
Investments in other securities of subsidiaries and associates	2,340,035	2,565,378
Deferred tax assets - long term -	184,905	94,942
Other investments	317,274	378,093
Total investments and other assets	5,288,143	6,576,237
Total non-current assets	8,350,600	11,150,456
Total assets	18,362,709	26,550,480

(Thousands of yen)

	As of April 30, 2022	As of April 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	393,015	401,116
Current portion of bonds payable	—	160,000
Current portion of long-term borrowings	3,049,208	2,126,817
Asset retirement obligations	53,156	—
Accounts payable - other	1,120,955	987,745
Accrued expenses	69,714	71,042
Income taxes payable	442,151	170,692
Accrued consumption taxes	41,334	394,358
Deposits received	70,938	83,039
Provision for bonuses	106,754	74,394
Other current liabilities	395,350	459,496
Total current liabilities	5,742,578	4,928,702
Non-current liabilities		
Bonds Payable	—	260,000
Long-term borrowings	2,368,124	2,394,726
Asset retirement obligations	64,763	87,154
Deffered tax liabilities	102,880	215,753
Total non-current liabilities	2,535,767	2,957,634
Total liabilities	8,278,346	7,886,337
Net assets		
Shareholders' equity		
Share capital	9,417,653	13,080,578
Capital surplus	3,425,432	5,029,958
Retained earnings	△ 2,218,164	△ 1,772,230
Treasury shares	△ 2,058,370	—
Total shareholders' equity	8,566,551	16,338,306
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	71,151	1,058,092
Foreign currency translation adjustment	583,300	741,125
Total accumulated other comprehensive income	654,451	1,799,217
Share acquisition rights	385,108	371,271
Non-controlling interests	478,251	155,347
Total net assets	10,084,362	18,664,143
Total liabilities and net assets	18,362,709	26,550,480

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, 2022	Fiscal year ended April 30, 2023
Net sales	18,942,037	16,009,705
Cost of Sales	17,043,634	12,576,117
Gross profit	1,898,403	3,433,588
Selling, general and administrative expenses	4,160,571	2,986,404
Operating profit (loss)	△ 2,262,168	447,184
Non-operating income		
Interest and dividend income	997	1,087
Gain on investments in investment partnerships	18,619	41,524
Gain on sale of Crypto Assets	22,201	—
Subsidy income	14,787	11,561
Gain from exemption of consumption	28,963	—
Share of profit of entities accounted for using equity method	—	61,073
Dividend income of insurance	10,000	—
Other non-operating income	7,807	17,330
Total non-operating income	103,376	132,577
Non-operating expenses		
Interest expenses	36,681	50,061
Foreign exchange losses	249,122	97,538
Share issuance costs	—	59,933
Loss on valuation of Crypto Assets	851,441	344,261
Share of loss of entities accounted for using equity method	571,027	—
Other non-operating expenses	22,981	47,015
Total non-operating expenses	1,731,255	598,809
Ordinary loss	△ 3,890,047	△ 19,048
Extraordinary income		
Gain on sale of investment securities	11	352,177
Gain on liquidation of subsidiaries and associates	—	16,316
Gain on reversal of share acquisition rights	—	2,072
Total extraordinary income	11	370,566
Extraordinary losses		
Impairment losses	1,906,092	—
Loss on valuation of investment securities	126,296	204,922
Loss on valuation of shares of subsidiaries and associates	217,684	254,653
Retirement benefits for directors (and other officers)	150,000	—
Total extraordinary losses	2,400,072	459,575
Loss before income taxes	△ 6,290,109	△ 108,057
Income taxes - current	436,777	68,925
Income taxes - deferred	△ 247,447	△ 300,013
Total income taxes	189,330	△ 231,088
Profit (loss)	△ 6,479,439	123,030
Loss attributable to non-controlling interests	△ 205,744	△ 322,903
Profit (loss) attributable to owner of parent	△ 6,273,694	445,933

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Profit (loss)	△ 6,479,439	123,030
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 3,639	986,941
Foreign currency translation adjustment	335,668	174,459
Share of other comprehensive income of entities accounted for using equity method	217,653	△ 16,634
Total other comprehensive income	549,682	1,144,765
Comprehensive income	△ 5,929,757	1,267,796
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△ 5,724,012	1,590,699
Comprehensive income attributable to non-controlling interests	△ 205,744	△ 322,903

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Cash flows from operating activities		
Profit (loss) before income taxes	△ 6,290,109	△ 108,057
Depreciation	857,380	323,474
Impairment losses	1,906,092	—
Share-based payment expenses	102,306	42,273
Increase (decrease) in provision for bonuses	3,822	△ 33,888
Interest and dividend income	△ 997	△ 1,087
Interest expenses	36,681	50,061
Foreign exchange losses (gains)	191,266	49,461
Subsidy income	△ 14,787	△ 11,561
Share of loss (profit) of entities accounted for using equity method	571,027	△ 61,073
Loss (gain) on investments in investment partnerships	△ 18,619	△ 41,524
Loss (gain) on valuation of crypto assets	851,441	344,261
Loss (gain) on sale of crypto assets	△ 22,201	—
Loss on valuation of shares of subsidiaries and associates	217,684	254,653
Loss (gain) on sale of investment securities	△ 11	△ 352,177
Loss (gain) on valuation of investment securities	126,296	204,922
Decrease (increase) in trade receivables	△ 14,907	171,407
Increase (decrease) in trade payables	△ 152,151	6,266
Share issuance costs	—	59,933
Increase (decrease) in accounts payable - other	81,457	△ 156,999
Increase (decrease) in accrued consumption taxes	△ 25,005	353,019
Increase (decrease) in income taxes payable - factor based tax	6,325	118,162
Decrease (increase) in accounts receivable - other	64,328	△ 1,199,400
Decrease (increase) in prepaid expenses	△ 121,830	△ 22,638
Decrease (increase) in consumption taxes refund receivable	62,272	90,090
Other, net	41,363	54,561
Subtotal	△ 1,540,875	134,138
Interest and dividends received	997	1,087
Interest paid	△ 33,361	△ 49,250
Business restructuring cost paid	△ 4,419	—
Subsidies received	14,787	11,561
Income taxes refund (paid)	△ 910,156	△ 268,900
Net cash provided by (used in) operating activities	△ 2,473,028	△ 171,363
Cash flows from investing activities		
Purchase of property, plant and equipment	△ 29,175	△ 80,523
Purchase of intangible assets	△ 1,686,956	△ 1,745,557
Proceeds from sale of investment securities	3,815	349,654
Purchase of investment securities	△ 49,900	△ 219,933
Purchase of investments in other securities of subsidiaries and affiliates	△ 345,420	△ 407,910
Purchase of crypto assets	—	△ 588,961
Proceeds from sale of crypto assets	948,491	—
Proceeds from distributions from investment partnerships	1,469,033	333,303
Payment for lease and guarantee deposits	△ 3,466	△ 20,375
Proceeds from repayment of lease and guarantee deposits	92,217	64,176
Payments for asset retirement obligations	—	△ 29,924
Net cash provided by (used in) investing activities	398,638	△ 2,346,051
Cash flows from financing activities		
Proceeds from long-term borrowings	9,634,250	4,888,000
Repayments of long-term borrowings	△ 8,732,806	△ 5,795,788
Proceeds from issuance of bonds	—	493,710
Redemption of bonds	—	△ 80,000
Proceeds from issuance of shares	39	7,205,979
Purchase of treasury shares	△ 999,932	△ 29
Dividends paid	△ 150,008	—
Net cash provided by (used in) financing activities	△ 248,456	6,711,872
Effect of exchange rate change on cash and cash equivalents	133,078	67,025
Net increase (decrease) in cash and cash equivalents	△ 2,189,768	4,261,483
Cash and cash equivalents at beginning of period	8,492,510	6,302,742
Cash and cash equivalents at end of period	6,302,742	10,564,225

Consolidated statements of changes in equity

Fiscal year ended April 30, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,399,470	3,407,249	4,336,840	△ 1,058,438	16,085,121
Cumulative effects of changes in accounting policies			△ 130,051		△ 130,051
Restated balance	9,399,470	3,407,249	4,206,789	△ 1,058,438	15,955,070
Changes during period					
Issuance of new shares	18,183	18,183			36,367
Dividends of surplus			△ 151,259		△ 151,259
Profit (loss) attributable to owners of parent			△ 6,273,694		△ 6,273,694
Purchase of treasury shares				△ 999,932	△ 999,932
Net changes in items other than shareholders' equity					-
Total changes during period	18,183	18,183	△ 6,424,954	△ 999,932	△ 7,388,519
Balance at end of period	9,417,653	3,425,432	△ 2,218,164	△ 2,058,370	8,566,551

	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	74,790	29,978	104,769	316,551	683,995	17,190,437
Cumulative effects of changes in accounting policies						△ 130,051
Restated balance	74,790	29,978	104,769	316,551	683,995	17,060,386
Changes during period						
Issuance of new shares						36,367
Dividends of surplus						△ 151,259
Profit (loss) attributable to owners of parent						△ 6,273,694
Purchase of treasury shares						△ 999,932
Net changes in items other than shareholders' equity	△ 3,639	553,321	549,682	68,557	△ 205,744	412,494
Total changes during period	△ 3,639	553,321	549,682	68,557	△ 205,744	△ 6,976,024
Balance at end of period	71,151	583,300	645,451	385,108	478,251	10,084,362

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 beginning 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
Profit (loss) attributable to owners of parent			445,933		445,933
Purchase of treasury shares				△ 29	△ 29
Disposal of treasury shares		△ 2,058,399		2,058,399	—
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 beginning 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
Profit (loss) attributable to owners of parent						445,933
Purchase of treasury shares						△ 29
Disposal of treasury shares						—
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