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**Consolidated Financial Results**  
**for the First Quarter of the Fiscal Year Ending March 31, 2024 (FY2024)**  
**(Under Japanese GAAP)**

August 14, 2023

Company Name: BlueMeme Inc.

Listed Exchange: Tokyo Stock Exchange Growth

Code number: 4069

URL: <https://www.bluememe.jp>

(Amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the First Quarter of FY2024 (April 1, 2023 - June 30, 2023)**

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Q1 FY2024	617	22.8	80	76.1	81	79.6	47	56.6
Q1 FY2023	502	17.8	45	(38.4)	45	(26.6)	30	(28.7)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Q1 FY2024	13.56	13.18
Q1 FY2023	8.76	8.33

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
Q1 FY2024	2,943	2,523	85.7
FY2023	3,016	2,587	85.8

(Reference) Shareholders' equity First quarter of FY2024: 2,522 million yen FY2023: 2,587 million yen

**2. Cash Dividends**

	Annual dividend				
	First quarter	Second quarter	Third quarter	Full year	Total
	Yen	Yen	Yen	Yen	Yen
FY2023	-	0.00	-	0.00	0.00
FY2024	-				
FY2024 (Forecast)		-	-	-	-

\*Note

Revision from the most recently published forecast: None

**3. Forecast of Consolidated Financial Results for the FY2024 (April 1, 2023 - March 31, 2024)**

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full Year	2,650	18.1	310	0.0	310	(0.1)	230	(0.1)	66.69

\* Note

Revision from the most recently published forecast: None

\*Notes

1. The current financial report is not subject to audit by certified public accountants or auditing firms.
2. Cautionary statement with respect to forward-looking statements. Forecasts of future performance in these materials are based on assumptions judged by information available to the Group's management at the time the materials were prepared but does not guarantee the Group's future performance. Actual results may materially differ from the forecasts.

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## 1. Qualitative information on the current quarter's results

### (1) Summary of operating results

During the first quarter of the year under review (1 April - 30 June 2023), the outlook for the Japanese economy remained uncertain due to rapid exchange rate fluctuations, high resource prices, continued high inflation and rapid monetary tightening, particularly in Western developed countries.

Despite these circumstances, in the information service industry to which the Group belongs, demand for digital transformation ("DX") remains strong, not only to improve management efficiency and productivity in response to a declining labor force, but also to promote digital business that generates new value and profits using technology. In particular, demand for IT investments is expected to remain strong due to the predicted future shortage of engineers and active efforts to modernize information systems in preparation for technological innovation. On the other hand, there are concerns that there may be a growing tendency to postpone investment decisions due to changes in the global situation and the tightening of monetary policy.

Under these conditions, the Group provides services that assist Japanese companies with in-house system development by utilizing low-code technology and its unique development methodology. The Group operates a DX business with the mission of improving the international competitiveness of Japanese companies, based on its corporate philosophy of "creating new values, changing norms, and evolving culture".

The Group's business consists of "Professional Services", which includes entrusted development services and training for engineers using "AGILE-DX", the Group's unique development methodology that makes maximum use of low-code technology and agile methods, and "Software License Sales", which includes the sale of low-code development tools and other software. In "Professional Services," the provision of consulting and entrusted development utilizing OutSystems® and other low-code platforms continued to expand steadily. The Group also focused on recruiting and training Group employee engineers and securing service partners in preparation for future demand growth, as well as on research and development to improve the efficiency of service provision. In "Software License Sales," the Group strives to promote the continued customer use of the products handled by the Group, primarily OutSystems®, which are sold in combination with "Professional Services," and to expand sales of such products.

As a result of the above, net sales amounted to 617,341 thousand yen (increase of 22.8% year-on-year), operating profit 80,821 thousand yen (increase of 76.1% year-on-year), ordinary profit 81,882 thousand yen (increase of 79.6% year-on-year) and profit attributable to owners of the parent 47,684 thousand yen (increase of 56.6% year-on-year).

The segment results have been omitted as the Group operates in a single segment of the DX business.

### (2) Summary of financial position

#### (Assets)

Current assets amounted to 2,703,907 thousand yen, a decrease of 90,361 thousand yen compared to the end of the previous fiscal year. This was mainly due to a decrease in accounts receivable. Non-current assets amounted to 239,590 thousand yen, an increase of 16,955 thousand yen compared to the end of the previous fiscal year. This was mainly due to an increase in Other (Lease and guarantee deposits). As a result, total assets amounted to 2,943,498 thousand yen, a decrease of 73,406 thousand yen compared to the end of the previous fiscal year.

(Liabilities)

Current liabilities amounted to 383,528 thousand yen, a decrease of 9,740 thousand yen compared to the end of the previous fiscal year. This was mainly due to a decrease in accounts payable. Non-current liabilities amounted to 36,526 thousand yen, an increase of 316 thousand yen compared to the end of the previous fiscal year. This was mainly due to an increase in Other (Deferred tax liabilities). As a result, total liabilities amounted to 420,054 thousand yen, a decrease of 9,424 thousand yen compared to the end of the previous fiscal year.

(Net assets)

Net assets amounted to 2,523,443 thousand yen, a decrease of 63,982 thousand yen compared to the end of the previous fiscal year. This was mainly due to This was mainly due to Acquisition of treasury stock As a result, the Shareholders' equity ratio amounted to 85.7% (85.8% at the end of the previous fiscal year).

(3) Consolidated financial forecasts and other forward-looking information

The financial forecast for FY2024 remains unchanged from that announced on May 12, 2023.

## 2. Consolidated financial statements and key notes

## (1) Balance sheet

	(Thousands of Yen)	
	As of end of previous fiscal year (March 31, 2023)	As of end of Q1 (June 30, 2023)
Assets		
Current assets		
Cash and deposits	2,224,777	2,193,641
Accounts receivable - trade, and contract assets	439,908	356,675
Work in process	5,928	16,478
Prepaid expenses	37,468	53,297
Other	87,439	83,814
Allowance for doubtful accounts	(1,253)	-
Total current asset	2,794,269	2,703,907
Non-current assets		
Property, plant and equipment	80,167	83,867
Intangible assets, net	599	513
Investments and other assets	141,869	155,209
Total non-current assets	222,635	239,590
Total assets	3,016,904	2,943,498
Liabilities		
Current liabilities		
Accounts payable – trade	231,056	193,594
Income taxes payable	19,824	35,467
Contract liabilities	75,426	76,966
Provision for loss on orders received	-	1,472
Other	66,959	76,027
Total Current liabilities	393,268	383,528
Non-current liabilities		
Asset retirement obligations	32,826	32,845
Other	3,384	3,681
Total non-current liabilities	36,210	36,526
Total liabilities	429,478	420,054
Net assets		
Shareholders' equity		
Share capital	970,644	970,809
Capital surplus	961,644	961,809
Retained earnings	669,686	717,370
Treasury shares	(14,660)	(127,843)
Total shareholders' equity	2,587,315	2,522,145
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	24	1,217
Total accumulated other comprehensive income	24	1,217

(Thousands of Yen)

	As of end of previous fiscal year (March 31, 2023)	As of end of Q1 (June 30, 2023)
Share acquisition rights	85	81
Total net assets	2,587,426	2,523,443
Total liabilities and net assets	3,016,904	2,943,498

## (2) Statement of income and Comprehensive Income

## Statement of income

(Thousands of Yen)

	Q1 FY2023 (April 1, 2022 – June 30, 2022)	Q1 FY2024 (April 1, 2023 – June 30, 2023)
Net sales	502,580	617,341
Cost of sales	254,235	297,469
Gross profit	248,344	319,872
Selling, general and administrative expenses	202,440	239,051
Operating profit	45,903	80,821
Non-operating income		
Foreign exchange gains	-	765
Reversal of allowance for doubtful accounts	153	1,253
Other	100	58
Total non-operating income	253	2,076
Non-operating expenses		
Interest expenses	183	38
Foreign exchange losses	320	-
Commission expenses	-	887
Other	64	90
Total non-operating expenses	568	1,015
Ordinary profit	45,588	81,882
Profit before income taxes	45,588	81,882
Income taxes-current	8,167	30,081
Income taxes-deferred	6,966	4,116
Total income taxes	15,134	34,198
Net profit	30,454	47,684
Net profit attributable to owners of parent	30,454	47,684



Comprehensive income

	(Thousands of Yen)	
	Q1 FY2023 (April 1, 2022 – June 30, 2022)	Q1 FY2024 (April 1, 2023 – June 30, 2023)
Profit	30,454	47,684
Other comprehensive income		
Valuation difference on available-for-sale securities	-	1,192
Total other comprehensive income	-	1,192
Comprehensive income	30,454	48,876
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	30,454	48,876

(3) Notes to consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes on substantial changes in the amount of shareholders' equity)

Not applicable.