

## Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2024 (Under IFRS)

February 13, 2024

Listed company: Geniee Inc.

Listed stock exchange: TSE

Code No.: 6562

URL <https://en.geniee.co.jp>

Representative: (Title/post)

Representative Director,

(Name) Tomoaki Kudo

President & CEO

Senior Executive Officer (CFO)

Contact liaison: (Title/post)

and Head of Investment

(Name) Jun Kikukawa

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Strategy Dept.

Schedule date of first quarter report submission:

February 13, 2024

Schedule date to commence dividend payments: —

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(for institutional investors and analysts)

(amounts below one million yen rounded off)

### 1. Consolidated earnings for the second quarter of FY2023(April 1, 2023 - December 31, 2023)

#### (1) Consolidated operating results

(% indicates YoY change)

	Net sales		Gross profit		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
3Q FY2023	5,892	24.9	4,520	20.0	1,236	54.1	1,079	28.2	867	37.5	861	35.5	1,402	116.8
3Q FY2022	4,718	-	3,766	-	802	-	841	-	630	-	635	-	646	-

	Net income per share	Diluted net income per share
	Yen	Yen
3Q FY2023	48.69	48.67
3Q FY2022	35.94	35.92

#### (2) Status of consolidated finances

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
	million yen	million yen	million yen	%
3Q FY2023	18,431	6,475	6,430	34.9
FY2022	17,855	5,033	4,994	28.0

### 2. Status of dividends

	Total annual dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2022	—	0.00	—	0.00	0.00
FY2023	—	0.00			
FY2023 (forecast)		0.00	—	0.00	0.00

## 3. Consolidated earnings forecast for FY2023 (April 1, 2023 to March 31, 2024)

(% indicates YoY change)

	Revenue		Gross profit		Operating Income		Income before income taxes		Net income		Net income attributable to owners of the parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	(Yen)
FY2023	8,400	30.1	6,600	28.4	1,800	△26.7	1,500	△34.2	1,300	△38.4	1,300	△38.5	73.50

(Note) Revision of earnings forecast from the most recently announced forecast: None.

## \*Notes

(1) Movement of important subsidiaries during consolidated cumulative quarter under review (movements of designated subsidiaries incidental to change in scope of consolidation): None.

(2) Changes in accounting principles, changes in accounting estimates, and restatements

- 1) Change in accounting principles incidental to revisions to accounting standards, etc.: Yes
- 2) Changes in accounting principles other than 1): None
- 3) Changes in accounting estimates: None

(3) Number of issued shares (common stock)

- 1) Number of shares issued at end of fiscal year (including treasury stock)
- 2) Treasury stock as of end of term
- 3) Average number of shares during fiscal year (cumulative quarter)

3Q FY2023	18,052,200 shares	FY2022	18,048,200 shares
3Q FY2023	346,876 shares	FY2022	365,276 shares
3Q FY2023	17,690,913 shares	3Q FY2022	17,696,457 shares

\*The quarterly earnings summary is not subject to quarterly review by the public certified accountant or auditing firm.

\*Explanation concerning appropriate use of earnings forecasts and other special notes

(Cautionary statement regarding forward-looking statements)

Earnings forecasts and other forward-looking statements indicated in these materials, are based on information available and certain assumptions deemed reasonable at the time. Statements in these materials do not constitute any guarantee of actual performance. Actual business results may differ substantially due to several factors.

(Method of obtaining notes on quarterly financial statements)

Notes on quarterly financial statements will be published to our website on February 13, 2024.

Consolidated Financial Statements  
Consolidated Statements of Financial Position

	(Thousands of yen)	
	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	2,875,883	2,419,392
Trade and other receivables	2,446,381	2,952,864
Inventories	1,012	266
Other financial assets	6,606	7,671
Other current assets	341,633	409,788
Total current assets	5,671,516	5,789,982
Non-current assets		
Property, plant and equipment	471,006	446,106
Right of use asset	502,184	276,605
Goodwill	9,423,377	9,927,914
Intangible assets	1,183,418	1,497,853
Other financial assets	479,582	395,103
Deferred tax assets	99,432	68,355
Other non-current assets	24,636	29,845
Total non-current assets	12,183,637	12,641,784
Total assets	17,855,154	18,431,767

	(Thousands of yen)	
	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	1,828,382	1,830,551
Borrowings	7,255,607	7,217,536
Lease liabilities	356,602	192,103
Income tax payable	136,264	192,314
Other current liabilities	751,307	724,776
Total current liabilities	10,328,164	10,157,283
Non-current liabilities		
Borrowings	1,102,048	934,616
Lease liabilities	177,790	96,812
Provisions	178,167	179,026
Other financial liabilities	1,020,927	571,476
Other non-current liabilities	14,888	17,457
Total non-current liabilities	2,493,821	1,799,390
Total liabilities	12,821,986	11,956,673
<b>Equity</b>		
Shareholders' equity		
Share capital	1,549,591	1,551,408
Capital surplus	1,145,229	1,166,220
Retained earnings	2,545,093	3,406,526
Treasury shares	△329,828	△312,378
Other components of equity	84,765	619,032
Equity attributable to owners of the parent	4,994,852	6,430,809
Non-controlling interests	38,316	44,284
Total equity	5,033,168	6,475,093
Total liabilities and equity	17,855,154	18,431,767

Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Revenue	4,718,094	5,892,214
Cost of sales	951,493	1,372,155
Gross profit	3,766,600	4,520,059
Selling, general and administrative expenses	2,917,941	3,837,255
Other income	30,372	559,795
Other expenses	76,348	5,708
Operating profit	802,683	1,236,890
Financial income	79,986	24,892
Financial expense	40,861	182,613
Income before income taxes	841,808	1,079,169
Income taxes	210,942	211,691
Net income	630,866	867,477
Net income attributable to:		
Owners of the parent	635,927	861,433
Non-controlling interests	△5,061	6,044
Net income	630,866	867,477
Interim earnings per share		
Basic (Yen)	35.94	48.69
Diluted (Yen)	35.92	48.67

## Consolidated statements of cash flows

(Thousands of yen)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	841,808	1,079,169
Depreciation and amortization	467,088	545,923
Other income	—	△549,682
Other expense	75,000	—
Financial income	△79,986	△24,892
Financial expense	40,861	182,613
Decrease (increase) in trade and other receivables	56,975	△458,068
Decrease (increase) in inventories	△508	745
Increase (decrease) in trade and other receivables	△46,317	△36,023
Others	31,254	42,932
Subtotal	1,386,177	782,717
Interest and dividends received	9,974	7,868
Interest paid	△23,830	△68,677
Income taxes refund (paid)	△282,459	△65,550
Miscellaneous expenses and other paid	△75,000	—
Net cash provided by (used in) operating activities	1,014,862	656,358
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△108,365	△12,834
Purchase of intangible assets	△472,816	△588,969
Proceeds from sale of intangible assets	—	16,386
Net decrease (increase) in short-term loans receivable	—	△173
Proceeds from sale of investment securities	—	144,520
Purchase of investment securities	—	△45,000
Payments for acquisition of subsidiaries	△70,000	—
Payments of leasehold and guarantee deposits	△47,923	△67,095
Proceeds from refund of invested capital	2,164	—
Payments for acquisition of businesses	—	△20,000
Others	47	3,576
Net cash provided by (used in) investing activities	△696,894	△569,589
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	—	3,491
Net increase (decrease) in short-term loans payable	32,800	△72,800
Proceeds from long-term borrowings	450,000	400,000
Repayments of long-term borrowings	△355,746	△532,703
Repayments of lease obligations	△213,892	△263,797
Purchase of treasury shares	△31,261	—
Net cash provided by (used in) financing activities	△118,099	△465,809
Effect of exchange rate change on cash and cash equivalents	34,627	△77,450
Net increase (decrease) in cash and cash equivalents	234,496	△456,490
Cash and cash equivalents at beginning of period	1,476,761	2,875,883
Cash and cash equivalents at end of period	1,711,258	2,419,392