

Consolidated financial results for the Nine months ended December 31, 2024 (Under IFRS)

February 14, 2025

Listed company: Geniece, Inc.

Listed stock exchange: Tokyo Stock Exchange

Securities code: 6562

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

Representative: Tomoaki Kudo, Representative Director, President & CEO

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Scheduled date to commence dividend payments: —

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the Nine months ended December 31, 2024 (from April 1, 2024, to December 31, 2024)

(1) Consolidated operating results (% indicates year-on-year change)

Nine months ended	Revenue		Gross profit		Operating profit		Profit before tax		Profit for the period		Profit for the period attributable to owners of parent		Comprehensive income	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Dec 31, 2024	8,282	40.6	6,395	41.4	2,131	71.8	1,905	75.9	1,609	84.8	1,686	94.9	1,978	36.7
Dec 31, 2023	5,892	24.9	4,523	20.1	1,240	54.6	1,082	28.7	871	38.1	865	36.1	1,446	123.7

Nine months ended	Basic earnings per share	Diluted earnings per share
	yen	yen
Dec 31, 2024	112.22	112.18
Dec 31, 2023	48.90	48.88

(2) Consolidated financial position

As of	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	million yen	million yen	million yen	%
Dec 31, 2024	24,453	8,973	8,325	34.0
Mar. 31, 2024	19,197	7,290	7,248	37.8

2. Status of dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended Mar. 31, 2024	—	0.00	—	0.00	0.00
Fiscal year ending Mar. 31, 2025	—	0.00	—		
Fiscal year ending Mar. 31, 2025 (Forecast)				0.00	0.00

(Note 1) Revision of dividend forecast from the most recently announced forecast: None

(Note 2) The above "Status of dividends" pertains to the dividends on common stock. For the dividend status of preferred stock (unlisted) with different rights from the common stock issued by the Company, please refer to the "Dividend Status of Preferred Stock" mentioned below.

3. Consolidated earnings forecast for the fiscal year ending March 31, 2025 (from April 1, 2024, to March 31, 2025)

(% indicates year-on-year change)

	Revenue		Gross profit		Operating profit		Profit before tax		Profit for the period		Profit for the period attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	yen
Fiscal year	12,000	49.8	9,100	48.2	2,500	62.4	2,400	87.9	1,800	73.9	1,800	74.4	123.19

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

* Notes

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

New: 1 company (Company Name: Social Wire Co., Ltd.) , Excluded: 0 companies

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

- 1) Changes in accounting policies required by IFRS: Yes
- 2) Changes in accounting policies other than 1): None
- 3) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

1) Number of issued shares at end of period
(including treasury shares)

As of Dec 31, 2024	18,056,400 shares	As of Mar. 31, 2024	18,056,400 shares
As of Dec 31, 2024	5,950,417 shares	As of Mar. 31, 2024	346,876 shares
Nine months ended Dec 31, 2024	14,575,041 shares	Nine months ended Dec 31, 2023	17,690,913 shares

2) Number of treasury shares at end of period

3) Average number of shares during period

* Review of the attached quarterly consolidated financial statements by a certified public accountant or an audit firm: None

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

(Disclaimer regarding forward-looking statements)

Earnings forecasts and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by the Group. The statements do not constitute any guarantee of actual performance by the Group. Actual results may differ substantially due to various factors.

(How to obtain supplementary material on financial results)

Supplementary material on financial results will be posted on our website on February 14, 2025.

○ Dividend Status of Preferred Stock

The breakdown of dividends per share for preferred stock with different rights from common stock is as follows.

Class A preferred stock	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended Mar. 31, 2024	—	—	—	—	—
Fiscal year ending Mar. 31, 2025	—	—	—		
Fiscal year ending Mar. 31, 2025 (Forecast)				5.06	5.06

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

Regarding the dividend forecast for the preferred shares announced on December 14, 2024, we had planned to pay a dividend of 5.06 yen per share at the end of the third quarter and 2.96 yen per share at the end of the fiscal year. However, as a result of adjustments with Class A preferred shareholders, we have decided to pay a dividend of 5.06 yen per share at the end of the fiscal year and 2.96 yen per share in the following period.

Please note that there are no revisions to the dividend forecast for common shares.

Condensed Quarterly Consolidated Financial Statements
Condensed Quarterly Consolidated Statements of Financial Position

(Thousands of yen)

	As of March 31, 2024	As of Dec 31, 2024
Assets		
Current assets		
Cash and cash equivalents	2,494,494	2,796,049
Trade and other receivables	3,095,464	4,724,111
Inventories	445	4,418
Other financial assets	4,287	95,811
Other current assets	349,282	544,834
Total current assets	5,943,973	8,165,225
Non-current assets		
Property, plant and equipment	445,742	650,875
Right-of-use assets	196,641	1,228,022
Goodwill	10,443,583	11,512,926
Intangible assets	1,628,478	2,108,339
Other financial assets	379,734	622,459
Deferred tax assets	130,574	110,845
Other non-current assets	28,331	54,715
Total non-current assets	13,253,086	16,288,185
Total assets	19,197,059	24,453,411

(Thousands of yen)

	As of March 31, 2024	As of Dec 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	1,909,489	3,320,434
Borrowings	1,732,004	2,179,563
Lease liabilities	115,504	496,314
Income taxes payable	219,438	153,057
Provision	—	1,601
Other current liabilities	899,901	1,454,679
Total current liabilities	4,876,337	7,605,651
Non-current liabilities		
Borrowings	6,138,420	6,858,074
Lease liabilities	82,486	778,473
Provisions	167,948	210,561
Other financial liabilities	618,735	—
Deferred tax liabilities	—	705
Other non-current liabilities	22,969	26,775
Total non-current liabilities	7,030,559	7,874,588
Total liabilities	11,906,897	15,480,240
Equity		
Share capital	1,553,336	100,000
Capital surplus	1,266,273	6,664,680
Retained earnings	3,576,991	5,207,323
Treasury shares	(402,199)	(5,327,752)
Other components of equity	1,253,975	1,681,722
Equity attributable to owners of parent	7,248,376	8,325,973
Non-controlling interests	41,786	647,197
Total equity	7,290,162	8,973,171
Total liabilities and equity	19,197,059	24,453,411

Condensed Quarterly Consolidated Statements of Profit or Loss

(Thousands of yen)

	Nine months ended Dec 31, 2023	Nine months ended Dec 31, 2024
Revenue	5,892,214	8,282,508
Cost of sales	1,368,330	1,886,843
Gross profit	4,523,884	6,395,664
Selling, general and administrative expenses	3,837,255	5,378,667
Other income	559,795	1,131,986
Other expenses	5,708	17,670
Operating profit	1,240,715	2,131,313
Equity in earnings of affiliates (loss)	—	(60,917)
Finance income	24,892	9,754
Finance costs	182,613	174,655
Profit before tax	1,082,994	1,905,494
Income tax expense	211,691	295,524
Profit for the period	871,302	1,609,970
Profit for the period attributable to:		
Owners of parent	865,257	1,686,263
Non-controlling interests	6,044	(76,292)
Profit for the period	871,302	1,609,970
Earnings per share		
Basic earnings per share (Yen)	48.90	112
Diluted earnings per share (Yen)	48.88	112

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Nine months ended Dec 31, 2023	Nine months ended Dec 31, 2024
Profit for the period	871,302	1,609,970
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(34,781)	(2,242)
Total of items that will not be reclassified to profit or loss	(34,781)	(2,242)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	610,432	370,538
Total of items that may be reclassified to profit or loss	610,432	370,538
Other comprehensive income, net of tax	575,651	368,295
Comprehensive income	1,446,953	1,978,266
Comprehensive income attributable to:		
Owners of parent	1,440,985	2,058,824
Non-controlling interests	5,967	(80,558)
Comprehensive income	1,446,953	1,978,266

Condensed Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	Nine months ended Dec 31, 2023	Nine months ended Dec 31, 2024
Cash flows from operating activities		
Profit before tax	1,082,994	1,905,494
Depreciation and amortization	545,923	832,021
Other income	(549,682)	(1,108,328)
Equity in earnings of affiliates (profit)	—	60,917
Finance income	(24,892)	(9,754)
Finance costs	182,613	174,655
Decrease (increase) in trade and other receivables	(419,001)	(1,159,258)
Decrease (increase) in inventories	745	(3,798)
Increase (decrease) in trade and other payables	(67,874)	1,450,351
Other	84,818	(169)
Subtotal	835,645	2,142,130
Interest and dividends received	7,868	5,409
Interest paid	(68,677)	(87,206)
Corporate income taxes paid or refunded (payment)	(118,478)	(343,997)
Net cash provided by (used in) operating activities	656,358	1,716,335
Cash flows from investing activities		
Purchase of property, plant and equipment	(12,834)	(236,921)
Purchase of intangible assets	(588,969)	(759,916)
Proceeds from sale of intangible assets	16,386	—
Net decrease (increase) in short-term loans receivable	(173)	(93,535)
Expenditure for acquisition of investment securities	(45,000)	(42,498)
Proceeds from sale of investment securities	144,520	25,000
Expenditure for business acquisition	(67,095)	(43,946)
Payments of leasehold and guarantee deposits	—	271,778
Proceeds from acquisition of subsidiary stock with changes in scope of consolidation	—	30,740
Proceeds from sale of subsidiary stock with changes in scope of consolidation	(20,000)	(11,880)
Other	3,576	—
Net cash provided by (used in) investing activities	(569,589)	(861,178)
Cash flows from financing activities		
Proceeds from issuance of shares	3,491	3,919,406
Net increase (decrease) in short-term borrowings	(72,800)	(76,928)
Proceeds from long-term borrowings	400,000	2,183,340
Repayments of long-term borrowings	(532,703)	(1,240,540)
Repayments of lease liabilities	(263,797)	(386,957)
Purchase of treasury shares	—	(4,945,772)
Proceeds from sale of treasury shares	—	7,286
Expenditure for acquisition of treasury stock of subsidiaries	—	(4,418)
Net cash provided by (used in) financing activities	(465,809)	(544,585)
Effect of exchange rate changes on cash and cash equivalents	(77,450)	26,685
Net increase (decrease) in cash and cash equivalents	(456,490)	337,257
Cash and cash equivalents at beginning of period	2,875,883	2,494,494
Decrease in cash and cash equivalents due to exclusion from consolidation	—	(35,701)
Cash and cash equivalents at end of period	2,419,392	2,796,049