

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

November 9, 2023

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:

November 9, 2023

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 - September 30, 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	%
IH FY2023	3,758	23.7	2,873	18.5	880	99.9	690	47.7	635	97.4	632	92.9	1,738	344.3
IH FY2022	3,038	-	2,425	-	440	-	467	-	322	-	327	-	391	-

	Net income per share	Diluted net income per share
	Yen	Yen
IH FY2023	35.76	35.74
IH FY2022	18.52	18.52

#### (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	%
IH FY2023	18,703	6,802	6,760	36.1
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	9,600	48.7	7,800	51.7	2,000	△18.6	1,900	△16.6	1,500	△28.9	1,500	△29.1	84.78

(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)

1H FY2023	18,051,700 shares	FY2022	18,048,200 shares
1H FY2023	361,076 shares	FY2022	365,276 shares
1H FY2023	17,686,056 shares	1H FY2022	17,703,242 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 November 9, 2023.

Consolidated Financial Statements  
Consolidated Statements of Financial Position

	(Thousands of yen)	
	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	2,875,883	2,406,894
Trade and other receivables	2,446,381	2,757,718
Inventories	1,012	516
Other financial assets	6,606	7,965
Other current assets	341,633	447,438
Total current assets	5,671,516	5,620,533
Non-current assets		
Property, plant and equipment	471,006	449,932
Right of use asset	502,184	349,595
Goodwill	9,423,377	10,380,344
Intangible assets	1,183,418	1,373,478
Other financial assets	479,582	386,880
Deferred tax assets	99,432	114,101
Other non-current assets	24,636	28,981
Total non-current assets	12,183,637	13,083,313
Total assets	17,855,154	18,703,847

	(Thousands of yen)	
	As of March 31, 2023	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	1,828,382	1,803,319
Borrowings	7,255,607	7,203,172
Lease liabilities	356,602	270,560
Income tax payable	136,264	142,118
Other current liabilities	751,307	723,259
Total current liabilities	10,328,164	10,142,429
Non-current liabilities		
Borrowings	1,102,048	864,142
Lease liabilities	177,790	102,121
Provisions	178,167	178,740
Other financial liabilities	1,020,927	594,960
Other non-current liabilities	14,888	19,292
Total non-current liabilities	2,493,821	1,759,257
Total liabilities	12,821,986	11,901,687
<b>Equity</b>		
Shareholders' equity		
Share capital	1,549,591	1,551,112
Capital surplus	1,145,229	1,169,609
Retained earnings	2,545,093	3,177,635
Treasury shares	(329,828)	(325,599)
Other components of equity	84,765	1,187,328
Equity attributable to owners of the parent	4,994,852	6,760,086
Non-controlling interests	38,316	42,073
Total equity	5,033,168	6,802,160
Total liabilities and equity	17,855,154	18,703,847

Consolidated Statements of Income

	(Thousands of yen)	
	For the fiscal year ended September 30, 2022	For the fiscal year ended September 30, 2023
Revenue	3,038,957	3,758,684
Cost of sales	613,469	885,027
Gross profit	2,425,487	2,873,656
Selling, general and administrative expenses	1,909,807	2,547,813
Other income	323	558,667
Other expenses	75,377	3,630
Operating profit	440,626	880,879
Financial income	54,108	20,722
Financial expense	27,251	210,930
Income before income taxes	467,483	690,671
Income taxes	145,362	54,787
Net income	322,121	635,884
Net income attributable to:		
Owners of the parent	327,928	632,542
Non-controlling interests	(5,806)	3,342
Net income	322,121	635,884
Interim earnings per share		
Basic (Yen)	18.52	35.76
Diluted (Yen)	18.52	35.74

## Consolidated statements of cash flows

(Thousands of yen)

	For the fiscal year ended September 30, 2022	For the fiscal year ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	467,483	690,671
Depreciation and amortization	298,025	355,142
Other income	—	△549,682
Other expense	75,000	—
Financial income	△54,673	△20,722
Financial expense	17,724	210,930
Decrease (increase) in trade and other receivables	104,104	△211,774
Decrease (increase) in inventories	△705	495
Increase (decrease) in trade and other receivables	94,468	△104,191
Others	△35,899	△187,822
Subtotal	965,528	183,046
Interest and dividends received	4,213	4,338
Interest paid	△14,596	△45,939
Income taxes refund (paid)	△175,430	△28,147
Miscellaneous expenses and other paid	△75,000	—
Net cash provided by (used in) operating activities	704,714	113,297
Cash flows from investing activities		
Purchase of property, plant and equipment	△107,413	△1,878
Proceeds from sale of intangible assets	—	16,386
Purchase of intangible assets	△313,377	△368,160
Net decrease (increase) in short-term loans receivable	—	△553
Proceeds from sale of investment securities	—	144,982
Payments of leasehold and guarantee deposits	△48,610	△29,083
Proceeds from refund of invested capital	915	—
Payments for acquisition of subsidiaries	△70,000	—
Payments for acquisition of businesses	—	△20,000
Others	47	1,181
Net cash provided by (used in) investing activities	△538,438	△257,124
Cash flows from financing activities		
Proceeds from issuance of shares	—	3,041
Net increase (decrease) in short-term loans payable	49,600	△45,500
Proceeds from long-term borrowings	350,000	100,000
Repayments of long-term borrowings	△231,345	△344,841
Repayments of lease obligations	△139,146	△170,591
Purchase of treasury shares	△31,261	—
Net cash provided by (used in) financing activities	△2,153	△457,891
Effect of exchange rate change on cash and cash equivalents	70,706	132,729
Net increase (decrease) in cash and cash equivalents	234,828	△468,988
Cash and cash equivalents at beginning of period	1,476,761	2,875,883
Cash and cash equivalents at end of period	1,711,590	2,406,894