



Consolidated Financial Results for the Nine Months Ended May 31, 2025
(Under Japanese GAAP)

July 10, 2025

Company name TeamSpirit Inc.

Stock exchange listings:

Tokyo Growth

Securities code 4397 URL <https://corp.teamspirit.com/ja-jp/>

Representative	(Title)	CEO	(Name)Kazuyoshi Michishita
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Inquiries (Title) CFO (Name) Ryo Takahashi

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Dividend payable date (as planned) _____

Supplemental material of results : Yes

Convening briefing of results : Yes

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

1. Consolidated financial results for the nine months ended May 31, 2025 (from September 1, 2024 to May 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2025	3,556	8.4	268	—	272	—	225	—
May 31, 2024	3,279	16.5	(32)	—	(36)	—	(34)	—

Note: Comprehensive income for the nine months ended May 31, 2025

227 Million (—%)

For the nine months ended
May 31, 2024

(28) Million (—%)

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
May 31, 2025	13.70	13.70
May 31, 2024	(2.12)	—

Note: Diluted earnings per share for the nine months ended May 31, 2024 is not stated because, although potential shares exist, basic loss per share was recorded.

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
May 31, 2025	4,063	1,483	36.3
August 31, 2024	3,692	1,229	33.3

Reference:Owner's equity	As of May 31, 2025	1,477 Million	As of August 31, 2024	1,229 Million
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2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended August 31, 2024	—	0.00	—	0.00	0.00
Fiscal year ending August 31, 2025	—	0.00	—		
Fiscal year ending August 31, 2025 (Forecast)				0.00	0.00

Note:Revisions to the forecast of cash dividends most recently announced : None

3. Consolidated financial forecast for the fiscal year ending August 31, 2025 (from September 1, 2024 to August 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
August 31, 2025	5,000	13.1	260	—	270	—	220	—	13.34

Note:Revisions to the earnings forecasts most recently announced : Yes

* Notes

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

Newly included: 1 company (Company name)WorkLifeLog Inc., Excluded: 1 company (Company name)WorkLifeLog Inc.

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of issued shares (common shares)

(i) Number of issued and outstanding shares at the period end (including treasury stock)

As of May 31, 2025	16,509,500 shares	As of August 31, 2024	16,451,600 shares
As of May 31, 2025	14,915 shares	As of August 31, 2024	8,915 shares
Nine months ended May 31, 2025	16,469,074 shares	Nine months ended May 31, 2024	16,420,396 shares

(ii) Number of treasury stock at the period end

(iii) Average number of shares (quarterly period-YTD)

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm : None

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, including the consolidated earnings forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. Thus, the Company does not intend to commit future accomplishment. Accordingly, actual business results may differ substantially from the Company's current assessment.

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1. Quarterly consolidated financial statements and primary notes

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	As of August 31, 2024	As of May 31, 2025
Assets		
Current assets		
Cash and deposits	2,543,387	2,831,889
Accounts receivable - trade, and contract assets	46,698	74,826
Advance payments to suppliers	359,734	398,914
Other	174,666	124,251
Allowance for doubtful accounts	(972)	(432)
Total current assets	3,123,514	3,429,449
Non-current assets		
Property, plant and equipment	11,364	9,391
Intangible assets		
Goodwill	—	42,288
Other	—	6,857
Total intangible assets	—	49,146
Investments and other assets		
Deferred tax assets	502,627	527,209
Other	55,465	48,688
Total investments and other assets	558,093	575,898
Total non-current assets	569,458	634,436
Total assets	3,692,973	4,063,885
Liabilities		
Current liabilities		
Accounts payable - trade	9,075	12,224
Income taxes payable	18,803	74,535
Deferred revenue	1,764,085	2,039,091
Provision for bonuses	64,170	23,739
Provision for business restructuring	111,525	—
Other	496,273	430,977
Total current liabilities	2,463,933	2,580,568
Total liabilities	2,463,933	2,580,568
Net assets		
Shareholders' equity		
Share capital	840,824	850,812
Capital surplus	830,824	840,812
Retained earnings	(461,214)	(235,165)
Treasury shares	(509)	(509)
Total shareholders' equity	1,209,925	1,455,950
Accumulated other comprehensive income		
Foreign currency translation adjustment	19,113	21,243
Total accumulated other comprehensive income	19,113	21,243
Share acquisition rights	—	6,122
Total net assets	1,229,039	1,483,317
Total liabilities and net assets	3,692,973	4,063,885

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statement of income

(Thousands of yen)

	Nine months ended May 31, 2024	Nine months ended May 31, 2025
Net sales	3,279,173	3,556,177
Cost of sales	2,033,986	2,106,021
Gross profit	1,245,186	1,450,155
Selling, general and administrative expenses	1,278,085	1,182,069
Operating profit (loss)	(32,899)	268,085
Non-operating income		
Interest income	—	1,167
Subsidy income	455	—
Gain on reversal of restructuring expenses	—	3,813
Other	545	3,113
Total non-operating income	1,001	8,094
Non-operating expenses		
Interest expenses	—	230
Foreign exchange losses	3,745	1,217
Share issuance costs	628	1,582
Other	59	156
Total non-operating expenses	4,434	3,187
Ordinary profit (loss)	(36,332)	272,992
Profit (loss) before income taxes	(36,332)	272,992
Income taxes - current	1,897	71,993
Income taxes - deferred	(3,338)	(24,582)
Total income taxes	(1,440)	47,411
Profit (loss)	(34,891)	225,580
Profit (loss) attributable to owners of parent	(34,891)	225,580

Quarterly consolidated statement of comprehensive income

(Thousands of yen)

	Nine months ended May 31, 2024	Nine months ended May 31, 2025
Profit (loss)	(34,891)	225,580
Other comprehensive income		
Foreign currency translation adjustment	6,601	2,129
Total other comprehensive income	6,601	2,129
Comprehensive income	(28,290)	227,710
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(28,290)	227,710

(3) Notes to the quarterly consolidated financial statements

(Notes on changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes” and other relevant ASBJ regulations)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) and other relevant ASBJ regulations from the beginning of the first quarter of the current fiscal year. Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Application Guidance of 2022”). This change of accounting policy has no impact on the quarterly consolidated financial statements.

In addition, regarding revisions related to the treatment of gains and losses on sales of shares of subsidiaries arising from the sales of shares of subsidiaries between consolidated companies for tax purposes, the 2022 revision application guideline have been applied since the beginning of the first quarter of this fiscal year. This change in accounting policies has no impact on the quarterly consolidated financial statements and the consolidated financial statements for the previous consolidated fiscal year.

(Segment information)

I For the nine months ended May 31, 2024

Segment information is not presented as the Company engages in a single segment of SaaS business.

II For the nine months ended May 31, 2025

Segment information is not presented as the Company engages in a single segment of SaaS business.

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

For the first nine months of the current fiscal year, share capital and capital surplus increased by ¥9,987 thousand respectively due to the issuance of new stocks as restricted stock compensation. As a result, share capital and capital surplus amounted to ¥850,812 thousand and ¥840,812 thousand, respectively as of the end of the consolidated nine months.

(Notes regarding going concern assumption)

Not applicable.

(Notes to quarterly consolidated statement of cash flows)

We have not prepared the quarterly consolidated statement of cash flows for the nine months ended May 31, 2025. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the nine months ended May 31, 2025, are as follows.

	(Thousands of yen)	
	For the nine months ended May 31, 2024	For the nine months ended May 31, 2025
Depreciation	3,517	3,604
Amortization of goodwill	—	2,225

(Significant events after reporting period)

Not applicable.