

Consolidated Financial Results for the Fiscal Year Ended August 31, 2025 (Under Japanese GAAP)

October 15, 2025

Company name TeamSpirit Inc.

Stock exchange listings:
Tokyo Growth

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

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Date of general shareholders' meeting (as planned) November 28, 2025 Dividend payable date (as planned) -

Annual securities report filing date (as planned) November 26, 2025

Supplemental material of annual results : Yes

Convening briefing of annual results : Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended August 31, 2025	4,922	11.3	269	—	277	—	362	—
August 31, 2024	4,421	16.1	(87)	—	(89)	—	(180)	—

Note: Comprehensive income For the fiscal year ended August 31, 2025 365 Million (—%) For the fiscal year ended August 31, 2024 (178) Million (—%)

	Basic earnings per share		Diluted earnings per share		Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen		Yen		%	%	%
Fiscal year ended August 31, 2025	22.01		22.01		25.4	6.8	5.5
August 31, 2024	(10.96)		—		(13.7)	(2.5)	(2.0)

Reference: Investment profit (loss) on equity method For the fiscal year ended August 31, 2025 — Million For the fiscal year ended August 31, 2024 — Million

(2) Consolidated financial position

	Total assets		Net assets		Capital adequacy ratio	Net assets per share
	Millions of yen		Millions of yen		%	Yen
As of August 31, 2025	4,472		1,623		36.1	97.88
August 31, 2024	3,692		1,229		33.3	74.74

Reference: Owner's equity As of August 31, 2025 1,614 Million As of August 31, 2024 1,229 Millions

(3) Consolidated cash flows

	Cash flows from operating activities		Cash flows from investing activities		Cash flows from financing activities	Cash and equivalents, end of period
	Millions of yen		Millions of yen		Millions of yen	Millions of yen
Fiscal year ended August 31, 2025	442		(21)		(34)	2,942
August 31, 2024	68		107		(0)	2,543

2. Cash dividends

	Dividend per share					Total dividend paid	Payout ratio (consolidated)	Ratio of total amount of dividends to net assets (consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended August 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended August 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending August 31, 2026 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Consolidated financial forecast for the fiscal year ending August 31, 2026 (from September 1, 2025 to August 31, 2026) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending August 31, 2026	5,700	15.8	430	59.4	430	54.7	320	(11.8)	19.40

* 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) 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

- (3) Number of issued shares (common shares)

(i) Number of issued and outstanding shares at the end of fiscal year (including treasury stock)	As of August 31, 2025	16,509,500 shares	As of August 31, 2024	16,451,600 shares
(ii) Number of treasury stock at the end of fiscal year	As of August 31, 2025	17,915 shares	As of August 31, 2024	8,915 shares
(iii) Average number of shares	Fiscal year ended August 31, 2025	16,474,702 shares	Fiscal year ended August 31, 2024	16,426,135 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended August 31, 2025	4,922	11.3	259	—	298	—	382	—
August 31, 2024	4,421	16.1	(118)	—	(141)	—	(126)	—

	Basic earnings per share	Diluted earnings per share
Fiscal year ended August 31, 2025	Yen 23.22	Yen 23.22
August 31, 2024	(7.69)	—

(2) Non-consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of August 31, 2025	Millions of yen 4,462	Millions of yen 1,618	% 36.0	Yen 97.55
August 31, 2024	3,510	1,206	34.4	73.35

Reference: Owner's equity As of August 31, 2025 1,608 Million As of August 31, 2024 1,206 Million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* 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.

Attached Material

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1. Consolidated financial statements and primary notes

(1) Consolidated balance sheet

(Thousands of yen)

	As of August 31, 2024	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	2,543,387	2,942,807
Accounts receivable - trade, and contract assets	46,698	119,585
Advance payments to suppliers	359,734	455,501
Other	174,666	159,705
Allowance for doubtful accounts	(972)	(646)
Total current assets	3,123,514	3,676,953
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	2,638	2,638
Accumulated depreciation	(274)	(548)
Facilities attached to buildings, net	2,363	2,089
Other	16,973	17,441
Accumulated depreciation	(7,972)	(10,494)
Other, net	9,001	6,947
Total property, plant and equipment	11,364	9,036
Intangible assets		
Goodwill	—	39,840
Other	—	5,496
Total intangible assets	—	45,336
Investments and other assets		
Deferred tax assets	502,627	693,358
Other	55,465	48,151
Total investments and other assets	558,093	741,510
Total non-current assets	569,458	795,883
Total assets	3,692,973	4,472,837
Liabilities		
Current liabilities		
Accounts payable - trade	9,075	12,895
Income taxes payable	18,803	119,016
Accrued expenses	210,321	233,495
Deferred revenue	1,764,085	2,025,897
Provision for bonuses	64,170	152,810
Provision for shareholder benefit program	—	18,483
Provision for business restructuring	111,525	-
Other	285,952	286,315
Total current liabilities	2,463,933	2,848,914
Total liabilities	2,463,933	2,848,914
Net assets		
Shareholders' equity		
Share capital	840,824	850,812
Capital surplus	830,824	840,812
Retained earnings	(461,214)	(98,555)
Treasury shares	(509)	(509)
Total shareholders' equity	1,209,925	1,592,560
Accumulated other comprehensive income		
Foreign currency translation adjustment	19,113	21,566
Total accumulated other comprehensive income	19,113	21,566
Share acquisition rights	—	9,796
Total net assets	1,229,039	1,623,923
Total liabilities and net assets	3,692,973	4,472,837

(2) Consolidated statements of income and comprehensive income

Consolidated statement of income

(Thousands of yen)

	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
Net sales	4,421,949	4,922,684
Cost of sales	2,768,673	2,938,237
Gross profit	1,653,275	1,984,447
Selling, general and administrative expenses	1,740,608	1,714,615
Operating profit (loss)	(87,332)	269,831
Non-operating income		
Interest income	251	3,686
Subsidy income	694	225
Gain on reversal of restructuring expenses	—	3,813
Other	1,603	3,799
Total non-operating income	2,550	11,524
Non-operating expenses		
Interest expenses	—	230
Foreign exchange losses	3,652	1,375
Share issuance costs	628	1,582
Other	65	298
Total non-operating expenses	4,346	3,487
Ordinary profit (loss)	(89,128)	277,869
Extraordinary losses		
Restructuring expenses reserve	112,597	—
Total extraordinary losses	112,597	—
Profit (loss) before income taxes	(201,726)	277,869
Income taxes - current	18,909	105,940
Income taxes - deferred	(40,535)	(190,730)
Total income taxes	(21,626)	(84,789)
Profit (loss)	(180,100)	362,659
Profit (loss) attributable to owners of parent	(180,100)	362,659

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
Profit (loss)	(180,100)	362,659
Other comprehensive income		
Foreign currency translation adjustment	2,090	2,452
Total other comprehensive income	2,090	2,452
Comprehensive income	(178,009)	365,111
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(178,009)	365,111

(3) Consolidated statement of changes in equity
Fiscal year ended August 31, 2024

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	833,320	823,320	(281,113)	(509)	1,375,018	17,022	17,022	1,392,041
Changes during period								
Issuance of new shares	7,503	7,503			15,007			15,007
Profit (loss) attributable to owners of parent			(180,100)		(180,100)			(180,100)
Net changes in items other than shareholders' equity						2,090	2,090	2,090
Total changes during period	7,503	7,503	(180,100)	—	(165,093)	2,090	2,090	(163,002)
Balance at end of period	840,824	830,824	(461,214)	(509)	1,209,925	19,113	19,113	1,229,039

Fiscal year ended August 31, 2025

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	840,824	830,824	(461,214)	(509)	1,209,925	19,113	19,113	—	1,229,039
Changes during period									
Issuance of new shares	9,987	9,987			19,975				19,975
Profit (loss) attributable to owners of parent			362,659		362,659				362,659
Net changes in items other than shareholders' equity						2,452	2,452	9,796	12,248
Total changes during period	9,987	9,987	362,659	—	382,634	2,452	2,452	9,796	394,883
Balance at end of period	850,812	840,812	(98,555)	(509)	1,592,560	21,566	21,566	9,796	1,623,923

(4) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	(201,726)	277,869
Depreciation and amortization	4,367	11,581
Share-based payment expenses	—	9,796
Increase (decrease) in allowance for doubtful accounts	170	(326)
Increase (decrease) in provision for bonuses	7,103	88,640
Increase (decrease) in provision for shareholder benefit program	—	18,483
Increase (decrease) in provision for business restructuring	112,597	(113,411)
Interest and dividend income	(251)	(3,911)
Subsidy income	(672)	(225)
Share issuance costs	628	1,582
Decrease (increase) in accounts receivable - trade, and contract assets	(4,042)	(69,735)
Decrease (increase) in advance payments to suppliers	(33,748)	(95,766)
Decrease (increase) in prepaid expenses	—	38,606
Increase (decrease) in trade payables	3,185	3,819
Increase (decrease) in deferred revenue	195,145	261,812
Other, net	24,894	38,702
Subtotal	107,651	467,517
Interest and dividends received	251	3,911
Subsidies received	672	225
Income taxes paid	(40,326)	(28,692)
Net cash provided by (used in) operating activities	68,248	442,961
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,314)	(468)
Payments for restoration	(25,123)	—
Proceeds from refund of leasehold and guarantee deposits	138,559	—
Payments of leasehold and guarantee deposits	(1,680)	—
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(21,660)
Other, net	—	200
Net cash provided by (used in) investing activities	107,441	(21,929)
Cash flows from financing activities		
Repayments of short-term borrowings	—	(32,436)
Other, net	(628)	(1,582)
Net cash provided by (used in) financing activities	(628)	(34,018)
Effect of exchange rate change on cash and cash equivalents	3,420	12,406
Net increase (decrease) in cash and cash equivalents	178,482	399,420
Cash and cash equivalents at beginning of period	2,364,904	2,543,387
Cash and cash equivalents at end of period	2,543,387	2,942,807

(5) Notes to the 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 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 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 has been applied since the beginning of this fiscal year. This change in accounting policies has no impact on the consolidated financial statements.

(Segment information)

I For the fiscal year ended August 31, 2024

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

II For the fiscal year ended August 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 current consolidated 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 current consolidated fiscal year.

(Notes regarding going concern assumption)

Not applicable.

(Per share information)

	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
Net assets per share	74.74	97.88
Basic earnings (loss) per share	(10.96)	22.01
Diluted earnings per share	—	22.01

Note: Basis for calculation of basic earnings (loss) per share and diluted earnings per share is as follows:

	Fiscal year ended August 31, 2024	Fiscal year ended August 31, 2025
Basic earnings (loss) per share		
Profit (loss) attributable to owners of parent (Thousands of yen)	(180,100)	362,659
Amounts not attributable to common shareholders (Thousands of yen)	—	—
Profit (loss) attributable to owners of parent related to common shares (Thousands of yen)	(180,100)	362,659
Average number of common shares outstanding during the period (Shares)	16,426,135	16,474,702
Diluted earnings per share		
Adjusted profit attributable to owners of parent (Thousands of yen)	—	—
Increase in number of common shares (Shares)	—	1,753
(By exercising of stock acquisition rights (Shares))	—	(1,753)
Overview of dilutive shares that are not included in the calculation of diluted earnings per share as they have no dilutive effects	—	—

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

(Significant events after reporting period)

Not applicable.