

April 14, 2025

Consolidated Financial Results for the Three Months Ended February 28, 2025 (Under Japanese GAAP)

Company name: GRCS Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 9250
 URL: <https://www.grcs.co.jp/>
 Representative: Yoshikazu Sasaki, Representative Director and President
 Inquiries: Ikue Tanaka, Director
 Telephone: +81-3-6272-9191
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended February 28, 2025 (from December 1, 2024 to February 28, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	779	(10.2)	(68)	-	(70)	-	(44)	-
February 29, 2024	868	28.6	87	-	83	-	66	-

Note: Comprehensive income For the three months ended February 28, 2025: ¥ (44) million [- %]
 For the three months ended February 29, 2024: ¥ 66 million [- %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
February 28, 2025	(32.83)	-
February 29, 2024	51.94	-

Note: Diluted net income per share for the first quarter of the fiscal year ending November 30, 2024 is not shown because there are no residual securities with dilutive effects. Diluted net income per share for the first quarter of the fiscal year ending November 30, 2025 is not shown in the above table, because net income per share was negative although there are residual shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
February 28, 2025	1,724	378	20.1
November 30, 2024	1,923	415	20.4

Reference: Equity
 As of February 28, 2025 : ¥ 347 million
 As of November 30, 2024: ¥ 391 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended November 30, 2024	-	0.00	-	0.00	0.00
Fiscal year ending November 30, 2025	-				
Fiscal year ending November 30, 2025 (Forecast)		0.00		0.00	0.00

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

3. Forecast of consolidated financial results for the fiscal year ending November 30, 2025 (from December 1, 2024 to November 30, 2025)

(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 November 30, 2025	3,953	20.2	115	161.5	89	249.4	60	(46.1)	44.92

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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: None
- (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) Total number of issued shares at the end of the period (including treasury shares)

As of February 28, 2025	1,380,130 shares
As of November 30, 2024	1,380,130 shares

(ii) Number of treasury shares at the end of the period

As of February 28, 2025	29,803 shares
As of November 30, 2024	29,803 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended February 28, 2025	1,350,327 shares
Three months ended February 29, 2024	1,284,330 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nil

- * Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to “(3) Explanation on consolidated earnings forecasts and other forward-looking statements” of “1. Qualitative Information on Quarterly Financial Results” on page 2 of the attached materials for the conditions that form the assumptions for the earnings forecasts and cautions concerning the use thereof.

(Method of accessing supplementary material on financial results)

Supplementary materials for financial results are disclosed on TDnet on the same day and posted on the Company's website.

Quarterly consolidated balance sheet

(Thousands of yen)

	As of November 30, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	740,032	448,474
Accounts receivable - trade and contract assets	491,070	395,745
Allowance for doubtful accounts	(4,493)	-
Work in process	3,510	4,792
Advance payments to suppliers	68,040	64,074
Prepaid expenses	30,249	37,880
Other	4,183	1,335
Total current assets	1,332,592	952,303
Non-current assets		
Property, plant and equipment		
Buildings, net	53,458	51,867
Tools, furniture and fixtures, net	7,886	9,843
Total property, plant and equipment	61,345	61,711
Intangible assets		
Software	21,085	19,778
Software in progress	1,989	30,670
Goodwill	340,160	461,809
Customer-related intangible assets	12,483	12,133
Total intangible assets	375,719	524,392
Investments and other assets		
Long-term prepaid expenses	1,381	1,278
Deferred tax assets	111,100	139,084
Guarantee deposits	38,379	39,285
Other	1,750	1,750
Total investments and other assets	152,612	181,398
Total non-current assets	589,677	767,503
Deferred assets		
Bond issuance costs	1,147	4,808
Total deferred assets	1,147	4,808
Total assets	1,923,417	1,724,615

	As of November 30, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	130,500	85,566
Short-term borrowings	37,499	24,998
Current portion of bonds payable	20,000	48,000
Current portion of long-term borrowings	193,994	183,415
Accrued expenses	283,853	144,213
Accounts payable - other	-	100,000
Income taxes payable	32,769	226
Accrued consumption taxes	89,555	50,330
Contract liabilities	180,642	157,086
Deposits received	22,765	12,114
Provision for bonuses	-	51,602
Total current liabilities	991,580	857,553
Non-current liabilities		
Bonds payable	50,000	162,000
Long-term borrowings	348,862	308,977
Asset retirement obligations	17,611	17,911
Long-term accounts payable - other	100,000	-
Total non-current liabilities	516,473	488,888
Total liabilities	1,508,053	1,346,441
Net assets		
Shareholders' equity		
Share capital	363,524	363,524
Capital surplus	314,340	314,340
Retained earnings	(186,403)	(230,738)
Treasury shares	(99,718)	(99,718)
Total shareholders' equity	391,743	347,407
Share acquisition rights	23,620	30,766
Total net assets	415,364	378,174
Total liabilities and net assets	1,923,417	1,724,615

Quarterly consolidated statement of income

(Thousands of yen)

	Three months ended February 29, 2024	Three months ended February 28, 2025
Net sales	868,386	779,406
Cost of sales	508,624	543,598
Gross profit	359,761	235,808
Selling, general and administrative expenses	272,707	304,517
Operating profit (loss)	87,054	(68,708)
Non-operating income		
Interest income	2	196
Commission income	181	48
Foreign exchange gains	-	61
Other	0	0
Total non-operating income	184	307
Non-operating expenses		
Interest expenses	1,718	2,007
Foreign exchange losses	1,747	-
Other	352	358
Total non-operating expenses	3,819	2,365
Ordinary profit (loss)	83,419	(70,767)
Profit (loss) before income taxes	83,419	(70,767)
Income taxes - current	20,634	1,551
Income taxes - deferred	(3,918)	(27,983)
Total income taxes	16,716	(26,431)
Profit (loss)	66,702	(44,335)
Profit (loss) attributable to owners of parent	66,702	(44,335)

Quarterly consolidated statement of comprehensive income

(Thousands of yen)

	Three months ended February 29, 2024	Three months ended February 28, 2025
Profit (loss)	66,702	(44,335)
Comprehensive income	66,702	(44,335)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	66,702	(44,335)