



Consolidated Financial Results FY04/24 [Japanese GAAP]

June 14, 2024

Name of listed company Hamee Corp. Listed stock exchanges East
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Results briefing : Yes (Scheduled to be held for institutional investors and analysts on June 17, 2024)
(Millions of yen are rounded down)

FY04/2024 consolidated results (May 1, 2023-April 30, 2024)

(1) Consolidated operating results (Percentages indicate year-on-year change.)

	Net sales		Operating income		Ordinary income		Attributable to owners of parent Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY04/24	17,612	25.5	1,917	50.8	2,018	44.2	1,121	18.6
FY04/23	14,038	4.7	1,271	(42.3)	1,399	(39.9)	945	(45.8)

(NOTE) Comprehensive income FY04/24 1,545 Millions of yen 53.3% FY04/23 1,008 Millions of yen (46.0%)

	Earnings Per share	Diluted Earning Per Share	Shareholders' equity Net income margin	Total assets Profit ratio	Operating income
	Yen	Yen	%	%	%
FY04/24	70.45	70.42	11.9	15.0	10.9
FY04/23	59.44	59.39	11.1	12.3	9.1

(Reference) Equity in earnings of affiliates FY04/24 1 Millions of yen FY04/23 2 Millions of yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity Ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY04/24	14,512	10,157	69.3	631.69
FY04/23	12,320	8,960	72.0	556.97

(Reference) Shareholders' equity FY04/24 10,063 Millions of yen FY04/23 8,864 Millions of yen

(3) Consolidated Cash Flows

	Cash Flows from operating activities	Cash Flows from investing activities	Cash Flows from financing activities	Cash and cash equivalents Balance at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY04/24	885	(876)	379	4,021
FY04/23	695	(1,507)	262	3,535

2. Dividends

	Annual dividend per share					Total dividends (Total)	Dividend payout ratio (Consolidated)	Net assets Dividend rate (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY04/23	-	0.00	-	22.50	22.50	358	37.9	4.2
FY04/24	-	0.00	-	22.50	22.50	358	31.9	3.8
FY04/25 (Forecast)	-	0.00	-	22.50	22.50		26.9	

Forecast of consolidated results for FY04/25 (May 1, 2024 to April 30, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Attributable to owners of parent Net income		Earning Per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	19,745	12.1	2,084	8.7	2,051	1.6	1,362	21.5	83.69

(NOTE) As we manage our business performance on an annual basis, our business performance forecasts are only for the full fiscal year.

※ Notes

(1) Significant Changes in Subsidiaries during the Fiscal Year (Changes in specified subsidiaries affecting the scope of consolidation) :None

New - Company , Removed - Company

(2) Changes in accounting policies and changes or restatement of accounting estimates

- ① Changes in accounting policies caused by revision of accounting standards : None
- ② Changes in accounting policies other than ① : None
- ③ Changes in accounting estimates : None
- ④ Restatement : None

(3) Number of shares outstanding (common stock)

① Number of shares outstanding at the end of the period (including treasury stock)

FY04/24	16,286,400Shares	FY04/23	16,280,000Shares
FY04/24	355,575Shares	FY04/23	363,737Shares
FY04/24	15,921,724Shares	FY04/23	15,904,503Shares

② Number of treasury stock at the end of the period

③ Average number of shares during the period

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Performance for the Fiscal Year Ended FY04/24 (May 1, 2023-April 30, 2024)

(1) Explanation of Non-Consolidated Results of Operation (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY04/24	10,992	22.1	(40)	-	338	881.4	284	-
FY04/23	9,005	(21.4)	(17)	-	34	(97.9)	(8)	-

	Earnings Per Share	Diluted Earning Per Share
	Yen	Yen
FY04/24	17.84	-
FY04/23	(0.55)	-

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity Ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY04/24	6,592	3,580	52.9	218.89
FY04/23	5,597	3,583	62.3	219.16

(Reference) Shareholders' equity FY04/24 3,487Millions of yen FY04/23 3,488Millions of yen

※ This financial summary is not subject to the audit by a certified public accountant or auditing firm.

※ Disclaimer regarding to Forward Looking Statements

(Precautions on forward-looking statements)

The earnings forecasts and other forward-looking statements presented in these materials reflect information available to the company and assumptions as of the date of this announcement that are based on uncertain factors that may affect future results, and the Company does not guarantee the achievement of these targets. Actual results may differ significantly as a consequence of numerous factors. Please refer to "1. Overview of Operating Results, (4) Future Outlook" on page 6 of the attachments for the assumptions used in the forecasts and cautionary statements regarding the use of the forecasts.

(Video for financial briefing)

We plan to distribute a video on our financial results on our website (<https://hamee.co.jp/ir/library/video>).

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1. Overview of Operating Results.

(1) Overview of Operating Results for the Fiscal Year under Review

In the fiscal year under review, the outlook for the Japanese economy remains uncertain due to factors such as the prolonged situation in Ukraine and soaring raw material and energy prices caused by the Israeli and Palestinian situations, as well as rapid fluctuations in foreign exchange rates and rising wages and interest rates.

In this business environment, our operating results by segment for the fiscal year under review were as follows.

① Commerce segment

a. Mobile Life Business

In the fiscal year under review, the shift to Category 5 of COVID-19 from May 8, 2023 has transformed consumer behavior into consumption of experience such as food service, travel and participation in other events. In addition, the rise in prices of daily necessities and other items has led to a stronger desire to save money and personal consumption continued to be sluggish. As a result, profits at each stage fell short of the initial plan. However, sales exceeded the results of the previous fiscal year because of the rollout of new products for new iPhone and popular models, particularly for iFace brands. The market of various IP collaborative products, such as popular characters, and the securing of new wholesalers. In addition, increased in sales 3.2% year-on-year because of sales of accessories such as Air Pods cases, shoulder straps, and strap holders, as well as smartphone cases, were strong.

b. Gaming Accessories Business

Until the cumulative second quarter, competition with competitors' products intensified, but sales recovered steadily from the third quarter of the fiscal year under review. In particular, sales of peripheral equipment such as white models, pastel color models monitors and monitor arms drove sales expansion in various malls, the year-end sales, and new lifestyle demand. Gaming monitor brand Pixio won Amazon.co.jp Business Award 2023 Time Sale Award in January 2024, contributing significantly to sales. In addition, we increased exposure through measures such as return gift of hometown tax payment, rental of monitors, and sponsorship of e-sports events. We also worked to raise awareness among users who had not been able to reach. As a result, net sales increased 45.0% year on year.

c. Cosmetics Business

Sales of the cosmetics brand ByUR remained strong throughout the year, and net sales for the current fiscal year exceeded the initial target by twice. To date, we have won various cosmetic awards, and we have received a cumulative total of 118 brand-name awards. We have also grown to become a top-selling winner in various EC malls, and our presence has further increased. As a result, contracts with new wholesalers have increased significantly, and the number of stores that have introduced ByUR has exceeded 5,000. Net sales increased 652.3% year on year because of the launch of new base makeup and skincare products in spring and autumn, while implementing tie-ups with influencers and measures to increase various exposures, such as TV interviews.

d. Global Business

Sales in the U.S., Korea and China to outside the group have significantly exceeded the previous consolidated fiscal year, and sales increased 33.7% year on year, exceeding the plan. This was mainly because of favorable sales of Otamatone, a music toy business acquired in January last year, in the U.S. market. In addition, consolidated adjusted sales were increased 22.7% year on year, as a result of the impact of exchange rates, thanks to aggressive sales activities in squeezes which we collaborate with popular characters.

As a result, net sales in the Commerce segment for the fiscal year under review was JPY13,855,855 thousand(up 30.0% from the same quarter of the previous fiscal year) and operating income was JPY1,069,579 thousand.(up 53.7%)

② Platform segment

a. Next Engine Business

The pace of contract acquisition was recovering compared to the previous fiscal year, when it slowed down due to the reaction to COVID-19. The revision of service prices implemented in June 2023 made it easier to reflect in user charges the increase in the number of orders processed as the basis for pay-as-you-go billing. At the same time, the reduction in the basic usage fee from JPY10,000 to JPY3,000 per month resulted in an expansion of the transaction value in EC sales to small businesses. The number of contracted clients increased steadily to 6,256 (up 484 from the end of the previous fiscal year) because of the collaboration with Mercari Shops operated by Mercari and NextEngine last December and the implementation of the companying campaign etc.

In November 2023, the application of revised service prices to existing customers also improved ARPU, and incentive-based sales associated with the marketing collaboration with Mercari Shops, which was launched in December, resulted in double-digit growth in net sales in the Next Engine Business, up 17.5% year on year. In addition, the results of the sales collaboration also boosted earnings in this business.

In addition, although there have been a certain number of cases of withdrawal from EC following the previous fiscal year, the number of cancellations remained low. In the fourth quarter under review, the churn rate was 0.84% and the average churn rate for the full year was 0.88%, both maintaining a low level.

b. Consulting Business

Operating income results were able to greatly exceed the plan because of focusing on initiatives that emphasize profitability, such as profitability management for each project, improvement in the utilization rate of consultants, and cost reviews. The management issue of continuing to secure the resources of consultants (recruiting and improving the retention rate), sales struggled and decreased 12.2% year-on-year.

c. Localco Business

Sales grew significantly in September because of the last-minute surge in demand following the system change related to the hometown tax payment in October. However, from October onward, a reactionary decline was recognized following this last-minute increase in demand. In addition, negative factors such as a decline in the amount of donations due to the withdrawal of popular return gifts manufacturer from contracted municipalities overlapped. However, sales increased 2.2% year on year as a result of efforts to provide added value, including the implementation of various measures to improve the amount of donations to existing contracted local governments. We will continue to focus on acquiring contracts with new local governments.

As a result of the above, net sales in the Platform segment for the fiscal year under review were JPY 3,768,153 thousand(up 11.2% year on year) and operating income was JPY 1,925,183 thousand(up 27.5%).

As a result of the above, for the fiscal year under review, net sales were JPY 17,612,068 thousand(up 25.5% year on year), operating income was JPY1,917,193 thousand(up 50.8%), ordinary income was JPY 2,018,905 thousand(up 44.2%), and net income attributable to owners of parent net income was JPY

1,121,626 thousand(up 18.6%).

(2)Overview of Financial Position for the Fiscal Year under Review

(Assets, Liabilities and Net Assets)

① Current assets

The balance of current assets at the end of the fiscal year under review increased by JPY2,050,484 thousand from the end of the previous fiscal year to JPY10,632,462 thousand (up 23.9% from the previous fiscal year). This was mainly due to an increase of JPY570,881 thousand in notes and accounts receivable-trade and an increase of JPY486,006 thousand in cash and deposits, mainly due to an increase of JPY1,166,411 thousand in product and an increase of net sales, despite a decrease of JPY186,373 thousand in other.

② Fixed assets

Non-current assets at the end of the fiscal year under review increased by JPY141,501 thousand compared with the end of the previous fiscal year to JPY3,880,010 thousand(up 3.8%). This was mainly due to an increase of JPY304,088 thousand in shares of subsidiaries and affiliates, despite a decrease of JPY239,042 thousand in deferred tax assets.

③ Current liabilities

The consolidated of current liabilities at the end of the fiscal year under review increased by JPY276,363 thousand compared with the end of the previous fiscal year to JPY3,512,623 thousand.(up 8.5%) This was mainly due to a JPY210,120 thousand result in current portion of long-term loans payable and a JPY203,688 thousand increase in accounts payable-trade, despite a JPY100,000 thousand decrease in short-term loans payable.

④ Long-term liabilities

The balance of non-current liabilities at the end of the fiscal year under review increased by JPY718,984 thousand from the end of the previous fiscal year to JPY842,709 thousand (up 581.1%). This was mainly due to an increase of JPY774,860 thousand in long-term loans payable.

⑤ Net assets

The balance of net assets at the end of the fiscal year under review increased by JPY1,196,637 thousand from the end of the previous fiscal year to JPY10,157,139 thousand. (up 13.4% year on year) This was mainly due to an increase of JPY765,344 thousand in retained earnings and an increase of JPY360,301 thousand in foreign currency translation adjustment.

(3)Overview of Cash Flows for the Fiscal Year under Review

(Cash Flows)

Cash and cash equivalents (hereinafter "cash") at the end of the current fiscal year increased by JPY486,006 thousand from the end of the previous fiscal year to JPY4,021,675 thousand.

The status of each cash flow for the current consolidated fiscal year and its factors are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was JPY885,867 thousand (compared with net cash provided by operating activities of JPY695,036 thousand in the previous fiscal year). This was mainly due to an increase in inventories of JPY1,081,771 thousand, an increase in notes and accounts receivable-trade of JPY507,323 thousand, and income taxes paid of JPY396,216 thousand, despite income before income taxes of JPY2,009,063 thousand, depreciation of JPY674,497 thousand, an increase in notes and accounts payable-trade of JPY183,252 thousand, an increase in accounts payable-other of JPY112,960

thousand, and amortization of goodwill of JPY111,058 thousand.

(Cash flows from investing activities)

Net cash used in investing activities was JPY876,800 thousand (JPY1,507,314 thousand in the previous fiscal year). This was mainly due to the purchase of property, plant and equipment of JPY308,740 thousand and expenditures for acquisition of affiliated company shares JPY301,535 thousand and the purchase of intangible assets of JPY167,942 thousand, which outweighed the proceeds from sales of property, plant and equipment of JPY3,232 thousand.

(Cash flows from financing activities)

Net cash provided by financing activities was JPY379,928 thousand (compared with net cash provided by financing activities of JPY262,789 thousand in the previous fiscal year). This was mainly due to cash inflows of JPY1,050,000 thousand from proceeds from long-term loans payable, offset by cash outflows of JPY358,116 thousand from dividends paid, JPY147,414 thousand from repayment of lease obligations and JPY100,000 thousand decrease in short-term loans payable.

(Reference) Cash flow indicators

	FY04/20	FY04/21	FY04/22	FY04/23	FY04/24
Equity Ratio (%)	57.9	77.1	77.6	72.0	69.3
Equity ratio based on market value (%)	256.7	302.2	171.5	129.5	130.5
Ratio of interest-bearing debt to cash flow(years)	0.9	0.1	0.5	1.9	2.5
Interest coverage ratio (Times)	581.6	202.9	400.6	65.4	33.9

Equity ratio : $\text{Equity capital} / \text{Total assets}$

Equity ratio based on market capitalization: $\text{Market capitalization} / \text{Total assets}$

Ratio of interest-bearing debt to cash flow: $\text{Interest-bearing debt} / \text{Cash flow}$

Interest coverage ratio: $\text{Cash flows} / \text{Interest payments}$

(NOTE) 1. All figures are calculated based on consolidated financial figures.

2. Market capitalization is calculated based on the number of shares outstanding.

3. Cash flows from operating activities are used for cash flows.

4. Interest-bearing debt includes all debt on the consolidated balance sheet for which interest is paid.

(4)Future Outlook

(Future Outlook)

① Reviewed Mid-Term Management Plan

Based on the economic environment surrounding our group and our most recent business condition and the various policies mentioned above, we reviewed the medium-term management plan announced on June 14, 2023 (from the fiscal year ending April 2025 to the fiscal year ending April 2026).

		Millions of yen			
		FY04/25	% YoY	FY04/26	% YoY
Commerce Business	Net sales	15,750	13.7%	19,399	23.2%
	Segment profit	1,976	44.8%	2,601	31.6%
	Profit ratio	12.6%		13.4%	
Platform Business	Net sales	3,995	6.4%	4,651	16.4%
	Segment profit	1,997	3.8%	2,391	19.7%
	Profit ratio	50.0%		51.4%	
Consolidated	Net sales	19,745	12.1%	24,050	21.8%
	Segment profit	3,974	20.8%	4,992	25.6%
	Adjusted amount ※	(1,890)	37.6%	(1,960)	3.7%
	Operating income	2,084	8.7%	3,031	45.4%
	Profit ratio	10.6%		12.6%	

※Adjustments: Corporate headquarters expenses are reported as "Adjustments." In order to more appropriately evaluate the performance of each business segment, we have changed the allocation method so that head office administrative expenses, etc., within general administrative expenses, are included in the adjusted amount.

Assumptions for the plan are as follows.

• Commerce segment

(i)Mobile Life Business

In addition to products for new iPhone that will be announced in September every year, we will continue to aggressively take various measures, such as improving the speed of development of products for models other than iPhone and new products that incorporate market trends. In addition, we will focus on expanding sales of our mainstay iFace series, such as collaborative planning with leading IP. In addition, we are focusing on peripheral accessories such as Air Pods cases, shoulder straps, and strap holders, which have been well received. In the mobile life business, we will continue to form a portfolio. We are targeting net sales of JPY7,927 million(up 7.3% year-on-year) in the fiscal year ending April 2025 and JPY8,455 million (up 6.7% year-on-year) in the fiscal year ending April 2026.

(ii)Gaming Accessories Business

We will continue to provide a desk environment in response to the strong performance of our white and pastel color model monitors, and we will strive to expand peripheral accessories other than monitors. In addition, we plan to further expand awareness through e-sports games sponsorships and other activities to increase top-line growth. By continuing to strengthen ties with Pixio USA Inc., a manufacturer, we will strive to reduce costs and expand sales regions. In the fiscal year ending April 2025, sales plan to achieve net sales of JPY1,195 million (up 7.2% year-on-year) and net sales

of JPY2,300 million (up 92.4% year-on-year) in the fiscal year ending April 2026.

(iii)Cosmetics Business

The fiscal year ended April 2024 marked a leap forward, with significant gains in awareness and sales, leading to growth in core businesses. We will continue to focus on ByUR brand. We will continue to attract new products to EC stores and develop wholesalers through promotions mainly the launch and SNS of new products. In the fiscal year ending April 2025, we will aim for net sales of JPY2,963 million (up 33.5% year on year) and net sales of JPY4,274 million (up 44.2% year on year) in the final fiscal year ending April 2026.

(iv)Others

This includes Hamic Businesses and New Business development. We plan to secure a certain level of sales, taking into account current sales results and other factors.

(v)Global Business

We will realize top-line growth by focusing on sales in Europe in addition to the current U.S. in Otamatone, the music toy that we acquired in the product manufacturing and sales business. In addition, we will continue to strive to grow by developing mobile accessories mainly squeezes and iFace featuring characters. In the fiscal year ending April 2025, sales plan to achieve net sales of JPY3,516 million(up 22.8% year on year) and net sales of JPY4,170 million(up 18.6% year on year) in the fiscal year ending April 2026.

• Platform segment

(i)Next Engine Business

Taking into account the increase in ARPU associated with the application of the revised service prices to existing customers from November 2023, we conservatively estimate the average monthly customer unit price, the number of contracts acquired, and the number of cancellations based on factors such as the most recent EC market conditions and customer trends. As a result, we expect net sales for the fiscal year ending April 2025 to JPY2,872 million(up 1.9% year on year.) The reason for the low growth rate is attributable to the recording of one-time sales associated with sales collaboration in the current fiscal year, and the assumed growth rate excluding this special factor is 8.4%.

Also, for the fiscal year ended April 2026, we have reviewed our plans based on conservative estimates of each indicator, with net sales of JPY3,060 million (6.5% year on year.)

(ii)Consulting Business

As there is still a management issue of securing consultants' resources and it is expected that it will take more time to resolve this issue, in the fiscal year ending April 2025, we forecast net sales of JPY378 million(down 8.8% year on year) as a result of estimating net sales based on current resources.

In the fiscal year ended April 2026, we changed our policy from hiring consultants to using outsourcing services, and reviewed the plan on the assumption that it will aim to increase sales while curbing fixed costs. As a result, we aim to return to a growth trajectory with net sales of JPY498 million. (up 31.7%)

(iii)Localco Business

Competition for the collection of donations for hometown tax payments is intensifying, and local governments are also facing increasing needs for attractive return-gifts plans and the improvement of their websites. By leveraging our expertise in EC management, we will focus on providing added value to existing contracted local governments and acquiring new contracts with local governments. We will revise our strategies for target regions. In April 2024, we acquired EC and sales business of traditional craft products through a business acquisition. We plan to use this business as one means of expanding sales channels for contracted local government return gifts manufacturers, and the sales of this business are also included in Localco Business.

As a result, we have reviewed our plans for net sales of JPY633 million (up 21.6% year on year)

for the fiscal year ended April 2025 and JPY619 million (down 2.2% year on year) for the fiscal year ended April 2026.

(iv) Encer mall Business

As we plan to officially release encer mall, a new wholesale marketplace linking manufacturers and retailers that released the beta version in January 2024, we have also incorporated this business into our forecasts.

As this is a business model that charges for the amount of distribution traded in malls at a fixed rate, we estimate sales indicator on the number of products listed and the number of registered members. We plan to generate sales of JPY110 million in the fiscal year ending April 2025 and JPY473 million (up 326.8% year on year) in the fiscal year ending April 2026.

②FY04/25 full-year forecast

In accordance with the aforementioned Mid-Term Management Plan, we are currently forecasting consolidated results for the fiscal year ending April 2025 as follows.

Net sales	JPY19,745million	(up 12.1% YoY)
Operating income	JPY2,084million	(up 8.7% YoY)
Ordinary income	JPY2,051million	(up 1.6% YoY)
Profit attributable to owners of parent	JPY1,362million	(up 21.5% YoY)

※Cautionary Statement with Respect to Forward-Looking Statements

The forecasts of consolidated financial results for the fiscal year described in this document are based on the assumptions and beliefs in light of the information available at the time of the date of this document. Actual results may differ from these forecasts for a variety of reasons.

2. Basic Approach to Selection of Accounting Standards

Taking into consideration the comparability of consolidated financial statements between periods and between businesses, our policy for the time being is to prepare consolidated financial statements in accordance with Japanese GAAP.

With regard to the application of International Financial Reporting Standards, the group will take appropriate measures in consideration of various domestic and overseas circumstances.

3.Consolidated Financial Statements and Major Notes

(1)Consolidated Balance Sheets

	End of previous fiscal year April 30, 2023	Thousands of yen Current consolidated fiscal year April 30, 2024
Assets		
Current assets		
Cash and deposits	3,535,669	4,021,675
Trade notes and accounts	1,797,001	2,367,883
Inventory	1,643,852	2,810,264
Work in process	10,658	4,544
Raw materials and supplies	35,569	61,123
Others	1,597,362	1,410,988
Allowance for doubtful accounts	(38,135)	(44,017)
Total current assets	8,581,977	10,632,462
Fixed assets		
Property, plant and equipment		
Buildings and structures	745,514	830,184
Accumulated depreciation	(129,270)	(202,805)
Buildings and structures, net	616,243	627,378
Automotive equipment	3,604	3,932
Accumulated depreciation	(863)	(1,729)
Automotive equipment, net	2,740	2,203
Tools, furniture and fixtures	1,040,999	1,074,720
Accumulated depreciation	(722,982)	(770,248)
Tools, furniture, and fixtures, net	318,016	304,471
Right-of-use asset	355,894	408,754
Accumulated depreciation	(123,214)	(268,590)
Assets for right of use, net	232,679	140,164
Land	337,086	367,820
Construction in progress	1,564	7,860
Total property, plant and equipment	1,508,332	1,449,898
Intangible assets		
Goodwill	490,930	496,487
Software	305,312	285,097
Trademark right	15,219	20,372
Others	14,098	29,171
Total intangible assets	825,562	831,129
Investments and other assets		
Investment securities	550,030	643,592
Stocks of subsidiaries and affiliates	45,018	349,106
Long-term loans receivable	-	16,418
Net defined benefit asset	143,447	170,367
Deferred tax assets	563,817	324,775
Others	118,340	123,231
Allowance for doubtful accounts	(16,039)	(28,510)
Total investments and other assets	1,404,614	1,598,982
Total noncurrent assets	3,738,509	3,880,010
Total assets	12,320,486	14,512,472

	Thousands of yen	
	End of previous fiscal year April 30, 2023	Current consolidated fiscal year April 30, 2024
Liabilities		
Current liabilities		
Accounts payable	166,048	369,736
Short-term loans payable	1,300,000	1,200,000
Current portion of long-term loans payable	-	210,120
Accounts payable-other	862,932	935,374
Accrued expenses	245,155	226,482
Income taxes payable	438,653	362,724
Provision for bonuses	25,201	18,093
Others	198,268	190,093
Total current liabilities	3,236,260	3,512,623
Long-term liabilities		
Long-term loans	-	774,860
Asset retirement obligations	11,341	12,375
Others	112,384	55,474
Total noncurrent liabilities	123,725	842,709
Total liabilities	3,359,985	4,355,333
Net assets		
Shareholders' equity		
Common stock	598,262	598,524
Capital surplus	543,737	545,014
Retained earnings	7,834,362	8,599,706
Treasury stock	(349,636)	(341,799)
Total shareholders' equity	8,626,725	9,401,446
Other accumulated comprehensive income		
Valuation difference on securities	3,163	66,665
Foreign currency translation adjustments	235,004	595,305
Total other accumulated comprehensive income	238,167	661,971
Stock option	95,608	93,721
Total net assets	8,960,501	10,157,139
Total liabilities and net assets	12,320,486	14,512,472

(2)Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated statement of income

	Thousands of yen	
	End of previous fiscal year May 1, 2022 To April 30, 2023	Current consolidated fiscal year May 1, 2023 To April 30, 2024
Net sales	14,038,437	17,612,068
Cost of sales	5,562,792	6,745,367
Gross profit	8,475,644	10,866,700
Selling, general and administrative expenses	7,204,485	8,949,507
Operating income	1,271,159	1,917,193
Non-operating income		
Interest income	9,998	1,166
Equity in earnings of associated companies	2,451	1,201
Consumption tax difference	49,899	55,800
Foreign exchange gain	52,732	44,189
Others	53,428	45,439
Total non-operating income	168,511	147,797
Non-operating expenses		
Interest expenses	10,633	26,156
Payment guarantee fee	7,367	7,465
Provision for allowance for doubtful accounts	-	9,277
Others	22,032	3,185
Total non-operating expenses	40,033	46,086
Ordinary income	1,399,637	2,018,905
Extraordinary income		
Gain on sales of noncurrent assets	1,866	2,623
Gain on sales of investment securities	28,478	-
Gain on reversal of stock option	-	1,887
Total extraordinary income	30,345	4,510
Extraordinary losses		
Loss on retirement of noncurrent assets	8,058	3,555
Write-down of investment securities	26,013	7,558
Loss on liquidation of shares of subsidiaries	-	3,238
Total extraordinary loss	34,072	14,352
Income before income taxes	1,395,911	2,009,063
Income taxes	456,183	653,978
Income taxes-deferred	(5,648)	233,458
Total income taxes	450,535	887,436
Net Income	945,375	1,121,626
Profit attributable to owners of parent	945,375	1,121,626

Consolidated Comprehensive Income Statement

	End of previous fiscal year May 1, 2022 To April 30, 2023	Thousands of yen Current consolidated fiscal year May 1, 2023 To April 30, 2024
Net Income	945,375	1,121,626
Other comprehensive income		
Valuation difference on securities	2,436	63,502
Foreign currency translation adjustments	60,236	360,301
Total other comprehensive income	62,672	423,803
Comprehensive income	1,008,048	1,545,430
Details		
Comprehensive income attributable to owners of the parent	1,008,048	1,545,430
Comprehensive income attributable to noncontrolling interests	-	-

(3) Consolidated Statements of Changes in Net Assets

Previous fiscal year (May 1, 2022, to April 30, 2023)

Thousands of yen

	Shareholders' equity				Total shareholders' equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	
Opening balance	597,803	541,753	7,198,228	(355,971)	7,981,813
Cumulative effect of changes in accounting policies			49,495		49,495
Balance at the beginning of the period reflecting changes in accounting policies	597,803	541,753	7,247,723	(355,971)	8,031,308
Change during the year					
Issuance of new shares	459	459			918
Dividends			(357,734)		(357,734)
Net profit attributable to owners of parent			945,375		945,375
Purchase of treasury stock				(20)	(20)
Disposal of treasury stock		1,524		6,355	7,880
Change in scope of equity method			(1,002)		(1,002)
Net change in items other than shareholders' equity					
Total changes in current term	459	1,983	586,638	6,335	595,417
Closing balance	598,262	543,737	7,834,362	(349,636)	8,626,725

	Other accumulated comprehensive income			Stock Option	Total net assets
	Other securities Variance from valuation	Foreign currency translation Adjustment account	Other Comprehensive income Total accumulated amount		
Opening balance	727	174,767	175,494	95,608	8,252,916
Cumulative effect of changes in accounting policies					49,495
Balance at the beginning of the period reflecting changes in accounting policies	727	174,767	175,494	95,608	8,302,411
Change during the year					
Issuance of new shares					918

	Other accumulated comprehensive income			Stock Option	Total net assets
	Other securities Variance from valuation	Foreign currency translation Adjustment account	Other Comprehensive income Total accumulated amount		
Dividends					(357,734)
Net profit attributable to owners of parent					945,375
Purchase of treasury stock					(20)
Disposal of treasury stock					7,880
Change in scope of equity method					(1,002)
Net change in items other than shareholders' equity	2,436	60,236	62,672	-	62,672
Total changes in current term	2,436	60,236	62,672	-	658,089
Closing balance	3,163	235,004	238,167	95,608	8,960,501

Current fiscal year (from May 1, 2023 to April 30, 2024)

Thousands of yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Opening balance	598,262	543,737	7,834,362	(349,636)	8,626,725
Change during the year					
Issuance of new shares	262	262			524
Dividend of surplus			(358,116)		(358,116)
Profit attributable to owners of parent			1,121,626		1,121,626
Increase or decrease due to liquidation of consolidated subsidiaries			1,833		1,833
Disposal of treasury stock		1,014		7,837	8,852
Net change in items other than shareholders' equity					
Total changes in current term	262	1,277	765,344	7,837	774,721
Closing balance	598,524	545,014	8,599,706	(341,799)	9,401,446

	Other accumulated comprehensive income			Stock option	Total net assets
	Other securities Variance from valuation	Foreign currency translation Adjustment account	Other Comprehensive income Total accumulated amount		
Opening balance	3,163	235,004	238,167	95,608	8,960,501
Change during the year					
Issuance of new shares					524
Dividend of surplus					(358,116)
Profit attributable to owners of parent					1,121,626
Increase or decrease due to liquidation of consolidated subsidiaries					1,833
Disposal of treasury stock					8,852
Net change in items other than shareholders' equity	63,502	360,301	423,803	(1,887)	421,916
Total changes in current term	63,502	360,301	423,803	(1,887)	1,196,637
Closing balance	66,665	595,305	661,971	93,721	10,157,139

(4)Consolidated Statements of Cash Flows

	End of previous fiscal year May 1, 2022 To April 30, 2023	Thousands of yen Current consolidated fiscal year May 1, 2023 To April 30, 2024
Net cash provided by operating activities		
Income before income taxes	1,395,911	2,009,063
Depreciation and amortization	627,115	674,497
Amortization of goodwill	164,245	111,058
Loss on retirement of noncurrent assets	8,058	3,555
Loss on sales of property, plant and equipment (Δ gain)	(1,866)	(2,623)
Unrealized losses on available-for-sale securities. (Δ gain)	26,013	7,558
Loss on Sales of Investment Securities. (Δ gain)	(28,478)	-
Increase in allowance for doubtful accounts (Δ decrease)	22,672	14,298
Increase in accrued bonuses(Δ decrease)	(17,483)	(9,205)
Increase in net defined benefit asset and liability	(163,890)	(13,546)
Interest and dividend income	(9,998)	(1,166)
Interest expenses	10,633	26,156
Equity in earnings of affiliates (Δ gain)	(2,451)	(1,201)
Decrease in notes and accounts receivable-trade (Δ increase)	(115,550)	(507,323)
Decrease in inventories (Δ increase)	(210,711)	(1,081,771)
Increase in notes and accounts payable-trade (Δ decrease)	(12,053)	183,252
Decrease in advances paid (Δ increase)	107,500	(170,002)
Increase in accounts payable-other (Δ decrease)	1,492	112,960
Increase in accrued expenses (Δ decrease)	23,582	(25,308)
Others	(451,085)	(26,358)
Subtotal	1,373,654	1,303,893
Interest and dividends income received	1,269	11,038
Interest expenses paid	(13,194)	(32,848)
Income taxes paid	(666,693)	(396,216)
Net cash provided by operating activities	695,036	885,867
Cash flow from investing activities		
Payments for transfer of business	(520,277)	(85,000)
Purchase of property, plant and equipment	(290,064)	(308,740)
Proceeds from sales of property, plant and equipment	942	3,232
Purchase of intangible assets	(196,468)	(167,924)
Purchase of investment securities	(544,194)	(10,000)
Proceeds from sale of investment securities	32,428	-
Purchase of stocks of subsidiaries and affiliates	-	(301,535)
Lending of loans receivable	(272,000)	-
Collection of loans receivable	272,000	-
Proceeds from long-term loans receivable	-	880
Others	10,320	(7,695)
Cash flow from investing activities	(1,507,314)	(876,800)

	Thousands of yen	
	End of previous fiscal year May 1, 2022 To April 30, 2023	Current consolidated fiscal year May 1, 2023 To April 30, 2024
Cash flow from financing activities		
Net increase in short-term borrowings (△decrease)	800,000	(100,000)
Proceeds from long-term debt	-	1,050,000
Repayment of long-term loans payable	(43,853)	(65,020)
Repayments of lease obligations	(136,521)	(147,414)
Proceeds from issuance of common stock	918	524
Purchase of treasury stock	(20)	(44)
Cash dividends paid	(357,734)	(358,116)
Cash flow from financing activities	262,789	379,928
Effect of exchange rate change on cash and cash equivalents	59,399	97,011
Net increase in cash and cash equivalents (△decrease)	(490,089)	486,006
Cash and cash equivalents at beginning of term	4,025,758	3,535,669
Cash and cash equivalents at end of term	3,535,669	4,021,675

(5)Notes for consolidated financial statements

(Notes on the Going Concern Assumption)

Not applicable.

(Basis of Presenting Consolidated Financial Statements)

Scope of consolidation

1、 Number of consolidated subsidiaries: 5 (NOTE)

Names of consolidated subsidiaries

Hamee Global Inc.

Hamee US,Corp.

Hamee India Pvt.Ltd.

Hamee Shanghai Tech & Trading Co., Ltd.

NE Inc.

(NOTE)Hamee Shanghai Trade Co., Ltd. was decided to disband at the Board of Directors meeting held on August 19, 2022. The liquidation has been completed on January 26, 2024.

2.Application of the equity method

(1) Number of affiliates accounted for by the equity method: 1

Name of equity-method affiliate

Root Co., Ltd

(Segment Information, etc.)

[Segment Information]

1.The outline of any Reporting Segment

The reportable segments of the group are the constituent units of the group for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating business performance. Our group consists of segments by products and services based on business activities. We have two reportable segments: Commerce and Platform. The Commerce segment mainly plans, manufactures, purchases and sells mobile accessories-related products and services. The Platform Business provides the Next Engine cloud (SaaS) EC Attractions and sales support consulting services to support sales and inventory control by EC businesses.

2.Methods of calculating net sales, income or loss, assets, liabilities and other items by reportable segment

The accounting treatments for the reportable business segments are generally the same as those described in "Significant Matters Forming the Basis for Preparation of Consolidated Financial Statements."

Income of reportable segments is based on operating income.

Intersegment sales and transfers are based on prevailing market prices.

3.Information on sales, income or loss, assets, liabilities and other items by reportable segment, and breakdown of revenue

Previous fiscal year (May 1, 2022, to April 30, 2023)

Thousands of yen

	Reportable Segments			Adjusted amount	Consolidated Financial Statements Amount recorded (NOTE2)
	Commerce Business	Platform Business	Total		
Net sales					
Income from contracts with customers	10,655,313	3,383,124	14,038,437	-	14,038,437
Sales to customers	10,655,313	3,383,124	14,038,437	-	14,038,437
Intersegment sales Or the amount transferred	289	6,297	6,586	(6,586)	-
Total	10,655,603	3,389,421	14,045,024	(6,586)	14,038,437
Segment profit	696,068	1,509,819	2,205,887	(934,728)	1,271,159
Other items					
Depreciation and amortization	461,693	139,361	601,054	26,060	627,115
Amortization of goodwill	104,253	59,992	164,245	-	164,245
Unamortized balance of goodwill	490,930	-	490,930	-	490,930

(NOTE) 1.The amounts of segment assets are omitted because we do not allocate assets to reportable segments.

2.Segment income is consistent with operating income in the consolidated financial statements.

Current fiscal year (from May 1, 2023 to April 30, 2024)

Thousands of yen

	Reportable Segments			Adjusted amount	Consolidated Financial Statements Amount recorded (NOTE2)
	Commerce Business	Platform Business	Total		
Net sales					
Income from contracts with customers	13,855,855	3,756,213	17,612,068	-	17,612,068
Sales to customers	13,855,855	3,756,213	17,612,068	-	17,612,068
Intersegment sales Or the amount transferred	-	11,940	11,940	(11,940)	-
Total	13,855,855	3,768,153	17,624,008	(11,940)	17,612,068
Segment profit	1,069,579	1,925,183	2,994,762	(1,077,569)	1,917,193
Other items					
Depreciation and amortization	493,391	145,412	638,803	35,693	674,497
Amortization of goodwill	110,371	687	111,058	-	111,058
Unamortized balance of goodwill	422,913	73,573	496,487	-	496,487

(NOTE) 1.The amounts of segment assets are omitted because we do not allocate assets to reportable segments.

2.Segment income is consistent with operating income in the consolidated financial statements.

[Related Information]

Previous fiscal year (May 1, 2022, to April 30, 2023)

1.Information for each product and service

This information is omitted because the same information is disclosed in Segment Information.

2.Information for each region

(1) Net sales

Thousands of yen

Japan	North America	Asia and Oceania	Other regions	Total
11,907,611	1,629,931	392,755	108,138	14,038,437

(NOTE) Net sales are classified by country or region based on the location of the customer.

(2) Property, plant and equipment

Thousands of yen

Japan	South Korea	United States	Other Asia	Total
162,436	1,245,374	99,846	675	1,508,332

3.Information for each major customer

This information is omitted because there are no external customers that account for 10% or more of net sales in the consolidated statements of income.

Current fiscal year (from May 1, 2023 to April 30, 2024)

1.Information for each product and service

This information is omitted because the same information is disclosed in Segment Information.

2.Information for each region

(1) Net sales

Thousands of yen

Japan	North America	Asia and Oceania	Other regions	Total
14,718,873	2,168,277	557,166	167,750	17,612,068

(NOTE) Net sales are classified by country or region based on the location of the customer.

(2) Property, plant and equipment

Thousands of yen

Japan	South Korea	United States	Other Asia	Total
200,110	1,195,988	45,297	8,501	1,449,898

3.Information for each major customer

This information is omitted because there are no external customers that account for 10% or more of net sales in the consolidated statements of income.

[Information on impairment loss on non-current assets by reportable segment]

Previous fiscal year (May 1, 2022, to April 30, 2023)

Not applicable.

Current fiscal year (from May 1, 2023 to April 30, 2024)

Not applicable.

[Information on Amortization of Goodwill and Unamortized Balance by Reportable Segment]

Previous fiscal year (May 1, 2022, to April 30, 2023)

This information is omitted because the same information is disclosed in Segment Information.

Current fiscal year (May 1, 2023 to April 30, 2024)

This information is omitted because the same information is disclosed in Segment Information.

[Information on gain on negative goodwill by reportable segment]

Not applicable.

(Per Share Information)

	End of previous fiscal year May 1, 2022 To April 30, 2023	Current Consolidated Fiscal Year May 1, 2023 To April 30, 2024
Net assets per share	JPY556.97	JPY631.69
Net income per share	JPY59.44	JPY70.45
Diluted per share Net Income for the Term	JPY59.39	JPY70.42

(NOTE) The basic facts underlying the calculation of Basic earnings per share and Diluted earnings per share are as follows:

	End of previous fiscal year May 1, 2022 To April 30, 2023	Current Consolidated Fiscal Year May 1, 2023 To April 30, 2024
Net income per share		
Profit attributable to owners of parent (thousands of yen)	945,375	1,121,626
Amount not attributable to common shareholders	-	-
Profit attributable to owners of parent related to common stock Net income (thousands of yen)	945,375	1,121,626
Average number of shares of common stock outstanding during the period (shares)	15,904,503	15,921,724
Diluted EPS Net income for computation		
Adjustment to profit attributable to owners of parent (thousands of yen)	-	-
Increase in common stock (shares) (Stock option (shares))	14,794 (14,794)	5,267 (5,267)
Diluted per share due to anti-dilutive effect Summary of potential shares not included in the calculation of net income	5th Stock Option 152 thousand	5th Stock Option 149 thousand

(Significant Subsequent Events)

Not applicable.