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November 6, 2025

Consolidated Financial Results for the Three Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: GREE Holdings, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 3632
 URL: <https://hd.gree.net/jp/en/>
 Representative: Yoshikazu Tanaka, Founder, Chairman and CEO
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 Scheduled date to commence dividend payment: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the Three Months Ended September 30, 2025 (from July 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to shareholders of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended September 30, 2025	12,765	(1.4)	1,068	-	1,492	-	1,078	-
September 30, 2024	12,941	(18.0)	(133)	-	(1,445)	-	(1,644)	-

(Notes) Comprehensive income: Three months ended September 30, 2025: 857 million yen [- %]
 Three months ended September 30, 2024: (2,034) million yen [- %]

	Net profit per share	Diluted profit per share
Three months ended	Yen	Yen
September 30, 2025	6.29	6.22
September 30, 2024	(9.61)	(9.50)

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	125,718	92,897	72.8
June 30, 2025	132,897	93,647	70.0

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)
 As of September 30, 2025: ¥91,570 million
 As of June 30, 2025: ¥93,029 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 June 30, 2025	-	0.00	-	14.50	14.50
Fiscal year ending June 30, 2026	-				
Fiscal year ending June 30, 2026 (Forecast)		-	-	-	-

(Notes)

1. Revised most-recently announced forecast of cash dividends: No
2. The dividend for the fiscal year ending June 30, 2026 has not yet been determined. We will announce it as soon as possible.

3. Forecast of the Consolidated Results for Fiscal Year Ending June 30, 2026

Rapid changes in the business environment surrounding the Group over the near term have had an impact on the consolidated results of the Investment Business, which is affected by market conditions. For this reason, we have determined that it is difficult to calculate appropriate and reasonable figures for our consolidated financial results forecast and we have therefore decided to suspend disclosure of our consolidated earnings forecast. For more details, please see page 3 of this report, 1. Summary of Financial Performance, (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Statements.

*** Notes**

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

Newly included: 5

Company name: GREE Capital US Holdings, LLC, GREE LP Fund US, LLC,
GREE Capital Partners, LLC, GFR Fund I GP, LLC, GFR Fund I, L.P

Excluded: -

Company name: -

(2) Adoption of accounting treatment specific to the preparation of consolidated financial statements: Yes

(Notes)

* For details, please refer to page 8 “2. Consolidated Financial Statements and Key Notes (3) Notes to Consolidated Financial Statements (Accounting Policies Adopted Specially for the Preparation of Consolidated Financial Statements)” in the appendix.

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: No

(ii) Changes in accounting policies due to other reasons: No

(iii) Changes in accounting estimates: No

(iv) Restatements: No

(4) Number of shares issued (common shares)

(i) Total number of shares issued at the end of the period (including treasury shares)

As of September 30, 2025	179,749,700 shares
As of June 30, 2025	179,749,700 shares

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

As of September 30, 2025	8,115,458 shares
As of June 30, 2025	8,400,913 shares

(iii) Average number of shares outstanding during the period

Three months ended September 30, 2025	171,427,919 shares
Three months ended September 30, 2024	171,045,251 shares

(Notes)

The number of treasury shares includes the Company's shares held in the Stock Grant ESOP Trust Account and the Directors' Compensation BIP Trust Account (7,895,450 shares for the three months ended September 30, 2025 and 7,981,605 shares for the year ended June 30, 2025).

* Review by a certified public accountant or audit firm of the attached consolidated financial statements: No

* Appropriate use of earnings forecasts, and other special matters

(Cautionary note on forward-looking statements)

The forward-looking statements in this document are based on the information currently available to us and certain reasonable assumptions. They are not intended to be a guarantee that they will be achieved. Actual results may differ materially due to various factors.

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1. Summary of Financial Performance

(1) Operating Results for the Period

The GREE Group has been aggressively investing in the Game, VTuber, IP, DX, and Investment Businesses. As a result, the cumulative consolidated results for the period were net sales of 12,765 million yen (down 1.4% YoY), operating profit of 1,068 million yen (operating loss of 133 million yen in the same period of the previous year), ordinary profit of 1,492 million yen (ordinary loss of 1,445 million yen in the same period of the previous year), and net profit attributable to owners of the parent of 1,078 million yen (net loss attributable to owners of the parent of 1,644 million yen in the same period of the previous year).

Also, with the establishment of the IP Business segment on April 1, 2025, the anime and license-related business previously included in the Game an Anime Business and the manga-related business previously classified under "Others" outside of the reportable segments have been reclassified into the newly established IP Business segment starting from the previous consolidated fiscal year. Furthermore, to more appropriately reflect its business activities, the Game and Anime Business has been renamed the Game Business.

In addition, to more accurately reflect the nature of our business, we have changed the name of our previously reported Metaverse Business to VTuber Business starting from the first quarter of the current consolidated fiscal year. This change is solely a renaming of the segment and has no impact on the segment information.

YoY comparisons and percentage changes have been calculated on the basis of the reclassified figures.

Results by business segment are discussed below.

(i) Game Business

We worked to stabilize earnings by establishing a long-term operational system for existing titles, while also making progress on the development of new titles. During the consolidated first quarter, operations were centered on existing titles, resulting in weak performance.

As a result, the cumulative consolidated results for the period were net sales of 7,503 million yen (down 13.8% YoY) and operating profit of 779 million yen (up 31.7% YoY).

(ii) VTuber Business

In the platform business, we worked to expand the content and features of REALITY while making progress on global expansion. Overall performance in the VTuber segment remained steady even as we continued to make aggressive investments in the production business.

As a result, the cumulative consolidated results for the period were net sales of 2,130 million yen (up 8.8% YoY) and operating profit of 355 million yen (up 142.4% YoY).

(iii) IP Business

Although the licensing business remained sluggish, we continued to make investments in preparation for the full-scale launch of new businesses in the segment.

As a result, the cumulative consolidated results for the period were net sales of 365 million yen (down 2.4% YoY) and operating loss of 79 million yen (operating profit of 110 million yen in the same period of the previous year).

(iv) DX Business

Earnings remained firm as we made progress on our overall plan for the DX Business even as we continued to make investments aimed at transitioning to a recurring-earnings-type business structure.

As a result, the cumulative consolidated results for the period were net sales of 1,917 million yen (up 9.6% YoY) and operating profit of 272 million yen (up 30.8% YoY).

(v) Investment Business

We have been investing in venture capital funds and startups, mainly in the Internet and IT sectors. Performance was strong due to the sale of shares held by funds in which the Company has invested.

As a result, the cumulative consolidated results for the period were net sales of 774 million yen (up 225.4% YoY) and operating loss of 40 million yen (operating loss of 813 million yen in the same period of the previous fiscal year).

(2) Financial Position for the Period

Total assets at the end of the period were 125,718 million yen, down 7,178 million yen from the end of the previous consolidated fiscal year. Current assets totaled 110,636 million yen (down 6,783 million yen from the end of the previous consolidated fiscal year). The main factors behind this decrease were a decrease of 13,500 million yen in “money held in trust” and 522 million yen in “accounts receivable – trade, and contract assets,” and increase of 3,395 million yen in “cash and deposits,” 1,953 million yen in “securities” and 917 million yen in “operational investment securities”. Non-current assets totaled 15,082 million yen (down 395 million yen from the end of the previous consolidated fiscal year). The main factors behind this decrease were a decrease of 288 million yen in “other” and 195 million yen in “investment securities” in “investments and other assets” and increase of 154 million yen in “deferred tax assets”.

Total liabilities amounted to 32,821 million yen, down 6,428 million yen from the end of the previous consolidated fiscal year. Current liabilities totaled 15,128 million yen (down 6,474 million yen from the end of the previous fiscal year). The main factors behind this decrease were a decrease of 6,000 million yen in “current portion of bonds payable” and 236 million yen in “income taxes payable” and increase of 156 million yen in “current liabilities – other”. Non-current liabilities totaled 17,693 million yen (up 45 million yen from the end of the previous fiscal year). The main factors behind this increase were an increase of 45 million yen in “Non-current liabilities - other”.

Net assets totaled 92,897 million yen, down 749 million yen from the end of the previous consolidated fiscal year. The main factors behind this decrease were a decrease of 1,467 million yen in “retained earnings” and 290 million yen in “valuation difference on available-for-sale securities” and increase of 821 million yen in “non-controlling interests” and 205 million yen increase in net assets due to a decrease in “treasury shares”.

The equity ratio, an indicator of financial stability, was 72.8% at the end of the period. The current ratio, an indicator of financial liquidity, was 731.3% at the end of the period.

(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Statements

In line with the GREE Group’s mission of “Making the world a better place through the power of the Internet”, we will continue to expand our content and services while increasing the use of our services by users in Japan and overseas, and improving the stable profitability of our business portfolio over the medium term.

However, rapid changes in the business environment surrounding the Group over the near term have had an impact on the consolidated results of the Investment Business, which is affected by market conditions. For this reason, we have determined that it is difficult to calculate appropriate and reasonable figures for our consolidated financial results forecast and we have therefore decided to suspend disclosure of our consolidated earnings forecast.

For details regarding business segments other than the Investment Business, please see “FY2026 First Quarter Financial Results” published the same day as this report.

2. Consolidated Financial Statements and Key Notes
(1) Consolidated Balance Sheet

(Millions of yen)

	As of June 30, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	48,851	52,247
Accounts receivable - trade, and contract assets	7,149	6,626
Accounts receivable - other	2,075	2,398
Operational investment securities	20,705	21,622
Money held in trust	35,000	21,500
Securities	50	2,003
Other	3,610	4,259
Allowance for doubtful accounts	(22)	(21)
Total current assets	117,419	110,636
Non-current assets		
Property, plant and equipment	1,856	1,797
Intangible assets		
Other	4	4
Total intangible assets	4	4
Investments and other assets		
Investment securities	9,933	9,738
Deferred tax assets	1,111	1,265
Other	2,884	2,595
Allowance for doubtful accounts	(310)	(318)
Total investments and other assets	13,617	13,280
Total non-current assets	15,477	15,082
Total assets	132,897	125,718
Liabilities		
Current liabilities		
Current portion of bonds payable	9,000	3,000
Income taxes payable	796	560
Contract liabilities	3,794	3,685
Provision for bonuses	521	304
Accounts payable - other	6,497	6,427
Other	992	1,149
Total current liabilities	21,602	15,128
Non-current liabilities		
Long-term borrowings	9,000	9,000
Bonds payable	7,700	7,700
Other	947	993
Total non-current liabilities	17,647	17,693
Total liabilities	39,250	32,821

(Millions of yen)

	As of June 30, 2025	As of September 30, 2025
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	2,362	2,362
Retained earnings	94,816	93,349
Treasury shares	(5,399)	(5,193)
Total shareholders' equity	91,879	90,617
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,154	864
Foreign currency translation adjustment	(4)	88
Total accumulated other comprehensive income	1,150	952
Share acquisition rights	499	386
Non-controlling interests	118	940
Total net assets	93,647	92,897
Total liabilities and net assets	132,897	125,718

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income (Cumulative)

(Millions of yen)

	Three months ended September 30, 2024	Three months ended September 30, 2025
Net sales	12,941	12,765
Cost of sales	6,689	6,459
Gross profit	6,251	6,306
Selling, general and administrative expenses	6,385	5,238
Operating profit (loss)	(133)	1,068
Non-operating income		
Interest income	52	110
Dividend income	17	19
Foreign exchange gains	-	217
Valuation gain on crypto assets	34	130
Other	3	9
Total non-operating income	107	486
Non-operating expenses		
Interest expenses	44	58
Commission expenses	0	4
Foreign exchange losses	1,374	-
Total non-operating expenses	1,419	62
Ordinary profit (loss)	(1,445)	1,492
Extraordinary income		
Gain on sale of investment securities	18	280
Other	-	22
Total extraordinary income	18	302
Extraordinary losses		
Loss on retirement of non-current assets	0	-
Total extraordinary losses	0	-
Profit (loss) before income taxes	(1,426)	1,795
Income taxes	229	740
Profit (loss)	(1,656)	1,054
Loss attributable to non-controlling interests	(12)	(23)
Profit (loss) attributable to owners of parent	(1,644)	1,078

Consolidated Statement of Comprehensive Income (Cumulative)

(Millions of yen)

	Three months ended September 30, 2024	Three months ended September 30, 2025
Profit (loss)	(1,656)	1,054
Other comprehensive income		
Valuation difference on available-for-sale securities	55	(278)
Foreign currency translation adjustment	(203)	92
Share of other comprehensive income of entities accounted for using equity method	(230)	(11)
Total other comprehensive income	(378)	(197)
Comprehensive income	(2,034)	857
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,022)	880
Comprehensive income attributable to non-controlling interests	(12)	(23)

(3) Notes to Consolidated Financial Statements

(Accounting Policies Adopted Specially for the Preparation of Consolidated Financial Statements)

(Calculation of tax expenses)

With regard to tax expenses, we have made a reasonable estimate of the effective tax rate after the application of tax effect accounting for income before income taxes for the consolidated fiscal year, including the period, and have calculated tax expenses by multiplying net profit/loss before income taxes for the period by the estimated effective tax rate.

However, if the use of the relevant estimated effective tax rate to calculate tax expenses yields a clearly unreasonable result, the statutory tax rate after adjusting for significant differences that do not fall under temporary differences, etc., in quarterly net profit/loss before income taxes is used.

(Segment Information)

I. Three months ended September 30, 2024

Financial information on net sales and operating profit (loss) by reportable business segment

(Millions of yen)

	Reportable segment						Others (note 2)	Total	Adjustments (note 3)	Consolidated total
	Game Business	VTuber Business	IP Business	DX Business	Investment Business	Total				
Net sales										
Sales to external customers	8,701	1,951	369	1,655	238	12,915	26	12,941	-	12,941
Inter-segment sales and transfers	4	6	4	94	-	110	16	126	(126)	-
Total	8,705	1,957	374	1,749	238	13,025	42	13,067	(126)	12,941
Segment profit (loss) (note 1)	591	146	110	208	(813)	243	39	283	(417)	(133)

Notes:

- (1) Segment profit (loss) totals are consistent with operating profit in consolidated statements of income.
- (2) "Others" consists of business segments not included in reportable segments including new businesses under development.
- (3) Segment profit (loss) adjustments of (417 million yen) include companywide costs, mainly general management costs not included in reportable segments.

II. Three months ended September 30, 2025

1. Financial information on net sales and operating profit (loss) by reportable business segment

(Millions of yen)

	Reportable segment						Others (note 2)	Total	Adjustments (note 3)	Consolidated total
	Game Business	Metaverse Business	IP Business	DX Business	Investment Business	Total				
Net sales										
Sales to external customers	7,499	2,124	365	1,880	774	12,643	121	12,765	-	12,765
Inter-segment sales and transfers	3	6	0	36	-	46	209	255	(255)	-
Total	7,503	2,130	365	1,917	774	12,690	331	13,021	(255)	12,765
Segment profit (loss) (note 1)	779	355	(79)	272	(40)	1,286	240	1,527	(459)	1,068

Notes:

- (1) Segment profit (loss) totals are consistent with operating profit in consolidated statements of income.
- (2) "Others" consists of business segments not included in reportable segments including new businesses under development.
- (3) Segment profit (loss) adjustments of (459 million yen) include companywide costs, mainly general management costs not included in reportable segments.

2. Notes regarding changes to reportable segments

(Changes to reportable segments)

With the establishment of the IP Business segment on April 1, 2025, the anime and license-related business previously included in the Game and Anime Business and the manga-related business previously classified under "Others" outside of the reportable segments have been reclassified into the newly established IP Business segment starting from the previous consolidated fiscal year. Furthermore, to more appropriately reflect its business activities, the Game and Anime Business has been renamed the Game Business.

In addition, to more accurately reflect the nature of our business, we have changed the name of our previously reported Metaverse Business to VTuber Business starting from the first quarter of the current consolidated fiscal year. This change is solely a renaming of the segment and has no impact on the segment information.

Segment information from the consolidated first quarter of the previous fiscal year has been recalculated and disclosed based on the revised reportable segment classifications.

(Significant Changes in Shareholders' Equity)

No applicable items.

(Going Concern Assumption)

No applicable items.

(Consolidated Statement of Cash Flows)

Quarterly consolidated statements of cash flows for the period have not been prepared. Depreciation (including amortization of intangible assets) for the period is as follows.

	Consolidated Q1 FY2025 (three months ended September 30, 2024)	Consolidated Q1 FY2026 (three months ended September 30, 2025)
Depreciation	62 million yen	100 million yen

(Significant Subsequent Events)

No applicable items.