

October 29, 2024

To whom it may concern

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### Notice of Extraordinary Loss and Earnings Forecast

The Company has recorded an extraordinary loss in its interim financial results for the fiscal year ending March 31, 2025. In addition, the new game titles released on October 15, 2024 (the third quarter of the current fiscal year) have been performing better than expected, and we have determined that it is difficult to appropriately and reasonably calculate future earnings forecasts based on these factors, so we have temporarily withdrawn the consolidated earnings forecast for the full fiscal year ending March 31, 2025, and have decided to leave it undetermined. As a result, we have temporarily withdrawn the consolidated earnings forecast for the full fiscal year ending March 31, 2025, and will reassess when a reliable outlook can be established.

#### Notice

#### 1. Recording of Extraordinary Loss and Details

Due to lower-than-expected sales of a smartphone game application released in the first quarter of the current fiscal year, the Company reassessed future earnings and decided to write off the related assets. As a result, a software impairment loss of 601 million yen was recorded as an extraordinary loss in the interim consolidated period for the fiscal year ending March 31, 2025.

#### 2. Revision (Withdrawal) of Earnings Forecast

(1) Revision of Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2025  
(April 1, 2024 - March 31, 2025)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecast (A)	(Million yen) 13,500	(Million yen) 1,000	(Million yen) 900	(Million yen) 400	(Million yen) 13.98
Revised forecast (B)	TBA	TBA	TBA	TBA	TBA
Increase (Decrease) (B-A)	-	-	-	-	
Increase (Decrease) (%)	-	-	-	-	
(Reference) Results for fiscal year ending March 31, 2024	9,779	903	793	104	3.64

(2) Reason for Revision and Withdrawal of Forecast

For the fiscal year ending March 31, 2025, the Company set goals to secure stable, long-term earnings from ongoing game titles, drive sales growth through three newly launched titles, and diversify revenue streams to support sustained growth and business expansion. However, in the current interim period, the Company recorded a significant loss due to lower-than-expected sales of new titles released in the first quarter, along with weaker performance from some existing titles.

Meanwhile, "Wizardry Variants Daphne," a game for smartphones released on October 15, 2024 (the third quarter of the current fiscal year), has exceeded expectations with cumulative billings of approximately 700 million yen since its release (preliminary figures from October 15 to 27).

Under these circumstances, we have determined that it is difficult to calculate appropriate and reasonable forecast figures and have temporarily withdrawn the consolidated earnings forecast for the fiscal year ending March 31, 2025, and have decided to leave it undecided.

Looking ahead, we will prioritize maximizing earnings from new titles and may consider further investments in operations and advertising. We will closely monitor market trends and provide updated earnings forecasts as soon as reliable figures can be determined.

This concludes the notice