

January 30, 2023

To whom it may concern

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## Notice of Revision of Full-Year Earnings Forecasts and Recording of Extraordinary Loss

In consideration of our performance in the first three quarters of the current fiscal year and future prospects, we have revised our full-year consolidated earnings forecast for the fiscal year ending March 31, 2023. In addition, the Company has recorded an extraordinary loss in its financial results for the third quarter of the fiscal year ending March 31, 2023, as described below.

### Notice

#### 1. Revision of Earnings Forecasts

##### (1) Revision of consolidated earnings forecast for the fiscal year ending March 31, 2023

(April 1, 2022 - March 31, 2023)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent company	Net income per share
Previous forecast (A)	Millions of yen 13,000	Millions of yen 2,000	Millions of yen 1,900	Millions of yen 1,200	Yen 42.20
Revised forecast (B)	10,700	2,200	2,100	1,100	38.59
Increase (Decrease) (B-A)	-2,300	200	200	-100	
Increase (Decrease) (%)	-17.7	10.0	10.5	-8.3	
(Reference) Results for the previous period (Fiscal year ending March 31, 2022)	10,528	1,591	1,541	807	28.29

##### (2) Reason for revision

The revision to net sales is due to the postponement of the release dates of three new in-house distributed titles scheduled for release during the fiscal year ending March 31, 2023, and the fact that some titles in operation fell short of their targets, despite strong sales of the Company's main IP titles. The three new titles are scheduled to be released after market testing and other verifications.

As for operating income and ordinary income, despite lower-than-expected profits due to the postponement of the release dates of three new titles, the figures were revised upward due to higher-than-expected sales of mainstay IP titles with high profit margins.

Net income attributable to shareholders of the parent company has been revised due to the recording of an extraordinary loss of 336 million yen, as described below in 2, Recording of Extraordinary Losses and Details thereof.

(Note) The above forecasts are based on information available as of the date of publication of this document, and actual results may differ from these forecasts due to various factors.

2. Recording of Extraordinary Losses and Details

The Company has reevaluated the future earnings of one game application currently in operation and has decided to write off a portion of the assets related to this game application.

Based on the action mentioned above, the Company recorded a software impairment loss of 336 million yen as an extraordinary loss in the third quarter of the fiscal year ending March 31, 2023.

3. Dividend Forecast

There is no change to the announced year-end dividend forecast of 5 yen per share for the fiscal year ending March 31, 2023. The Company plans to submit a proposal for the distribution of surplus earnings to the Board of Directors meeting scheduled to be held in May 2023.

End of notice