

For immediate release



Name of Listed Company: **Gurunavi, Inc.**
Listed Stock Exchanges: Tokyo Stock Exchange
Stock Code: 2440
Representative: Akio Sugihara, President

Notice regarding Upward Revision of Full-Year Business Forecast for the Fiscal Year ending March 31, 2025 and Recording of Extraordinary Loss

November 21, 2024 – Gurunavi, Inc. (the “Company”) announces that the Company has revised up its consolidated full-year business forecast for the fiscal year ending March 31, 2025 as follows from those announced on November 1, 2024, in light of recent business performance.

In addition, the Company also announces that it expects to record extraordinary losses for the third and fourth quarters of the fiscal year ending March 31, 2025 as a result of the decision made at the Executive Committee held today to withdraw from some facilities in the restaurant development business and to reduce the number of employees at Gurunavi (Shanghai), Inc. as detailed below:

1. Upward revision of full-year business forecast

(1) Revised consolidated full-year business forecast for the fiscal year ending March 31, 2025
(April 1, 2024 to March 31, 2025)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Basic income per share
Forecast previously announced (A)	Millions of yen 14,250	Millions of yen 240	Millions of yen 180	Millions of yen 150	Yen 0.74
New forecast (B)	14,250	240	180	200	1.63
Difference (B-A)	–	–	–	50	
Rate of difference (%)	–	–	–	33.3	
(Reference) Results for the fiscal year ended March 31, 2024	12,982	(339)	(277)	(363)	(8.98)

(2) Reasons for revision

The Company has revised up net income attributable to owners of parent as shown in (1) above in light of the recording of extraordinary income (gain on sale of investment securities) announced on November 6, 2024 and the recording of extraordinary loss described below.

2. Details of extraordinary loss

(1) Loss on restaurant development business

The restaurant development business is a new business that aims to create bustling with "food" through the production of restaurant floors at commercial facilities. As of November 21, 2024, the Company operated eight facilities. In light of its expansion to a certain scale, in order to promote business operations with more profitability in mind, the Company decided to withdraw from some facilities after considering the status of recovery from the COVID-19 pandemic in each facility. As a result, the Company expects to record withdrawal-related expenses of approximately 56 million yen as extraordinary loss in the third quarter of the fiscal year ending March 31, 2025.

This partial withdrawal is aimed at improving the profitability of the restaurant development business in the next fiscal year and beyond, and will contribute to improving the Company's overall business performance.

(2) Loss on Gurunavi (Shanghai), Inc.

Gurunavi (Shanghai), Inc., which promotes Japanese cuisine and Japanese food culture in China, is promoting structural reforms aimed at improving profitability and strengthening its financial position, in order to restructure its existing businesses and develop new services. As part of this process, the Company decided to reduce the number of employees at Gurunavi (Shanghai), Inc. As a result, the Company expects to record economic compensation payments to six employees planning to retire of approximately 52 million yen as extraordinary loss in the fourth quarter of the fiscal year ending March 31, 2025.

For some of the retirees, the Company plans to enter into a business consignment agreement again and continue to engage in the business of Gurunavi (Shanghai), Inc.

(3) Outlook

The extraordinary loss is reflected in the full-year business forecasts for the fiscal year ending March 31, 2025 as described in 1. above.

The Company aims to transition to profit expansion phase in the fiscal year ending March 31, 2026, as outlined in the Medium-Term Business Policy, by improving profitability through the initiatives described in (1) and (2) in 2 above.

The above forecasts are based on information available at the time of this announcement and are subject to a number of uncertainties. Actual results could differ materially from the above forecasts due to changes in business conditions and other factors.