

Company name: RAKSUL INC.
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 Representative Director, President and CEO
 (TSE Prime Market Code No. 4384)
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 Director, CFO

Announcement of Difference between Forecast and Actual Results for the Fiscal Year Ended July 31st, 2022

RAKSUL INC. (the “Company”) hereby announces the differences between its financial forecast for the fiscal year ended July 31st, 2022 announced on June 10th, 2022, and the actual results announced today as follows:

1. Difference between full-year financial forecast for FY2022 and actual results (August 1st, 2021 - July 31st, 2022)

	Revenue	Gross Profit	Operating Profit	non-GAAP EBITDA	Ordinary Profit (Loss)	Net Profit Attributable to Owners of Parent	Earnings per Share
	In JPY MM	In JPY MM	In JPY MM	In JPY MM	In JPY MM	In JPY MM	In JPY
Previously announced forecast (A)	33,400 ~33,800	9,600 ~9,800	330 ~380	1,440 ~1,540	(250) ~(200)	880 ~930	30.00 ~32.00
Actual results (B)	33,980	9,803	462	1,634	(167)	1,021	35.39
Difference (B-A)	180 ~580	3 ~203	82 ~132	94 ~194	33 ~83	91 ~141	3.39 ~5.39
Difference in percentage (%)	0.5 ~1.7	0 ~2.1	21.8 ~40.3	6.1 ~13.5	-	9.9 ~16.1	10.6 ~18.0

Notes:

- (1) Non-GAAP profits are calculated by deducting or adjusting non-recurring items and other specific adjustable items from GAAP profits (Japan GAAP) based on certain rules. We disclose non-GAAP figures as we believe they are useful in understanding our fundamental business performance. Specifically, we adjust certain one-off profits and losses that we deem deductible (mainly stock-based compensation expenses, depreciation and amortization, and amortization of goodwill).
- (2) Results for the previous year ended July 31, 2021 is not shown as consolidated accounting was introduced from the third quarter of the fiscal year ended July 31, 2022.

2. Reasons for the difference

Although the Company has been affected by the external environment to a certain extent, such as the continuous extension of the semi-state of emergency, soaring procurement costs, and changes in the financing environment of startup companies, we continued to improve the value of our services while taking flexible measures such as reviewing pricing and shifting target clientele. As a result, revenue and gross profit remained near the upper end of the previously announced forecast.

In addition, based on our continuous efforts on cost management with a stronger focus on return on investment, non-GAAP EBITDA, a key indicator of the Company, as well as profits significantly exceeded the previously announced forecast.