

Company name: RAKSUL INC.
Representative: Yo Nagami
Representative Director, President and CEO
(TSE Prime Market Code No. 4384)
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CAO, SVP of Corporate

Notice Regarding Recording of Extraordinary Income and Revision of Consolidated Financial Forecast for Fiscal Year Ending July 31, 2024 in Connection with AmidA Holdings becoming a Wholly-Owned Subsidiary

RAKSUL INC. (the “Company”) hereby announces that it was resolved at the Board of Directors meeting held today that a third-party allotment of shares will be conducted by HACOPELL INC. (hereinafter referred to as “HACOPELL”), an equity method affiliate of the Company, and the Company will transfer a portion of its shares of HACOPELL (hereinafter referred to as the “Transaction”). The Company expects to record an extraordinary income in the first quarter of the Consolidated Fiscal Year Ending July 31, 2024, as a result of the resolution.

Furthermore, as the Company announced on September 26, 2023 in “Notice Regarding Results of Tender Offer for Shares of AmidA Holdings Co., Ltd. (Securities Code:7671) and Change in the Subsidiary,” AmidA Holdings Co., Ltd. (hereinafter referred to as “AmidA”) has become a consolidated subsidiary of the Company on October 2, 2023, and it is expected to become a wholly-owned subsidiary of the Company on October 31, 2023, as a result of the request for sale of shares by the special controlling shareholder.

In line with these changes, the Company hereby announces the following revisions to the Consolidated Financial Forecast for Fiscal Year Ending July 31, 2024 (August 1, 2023 - July 31, 2024), announced on September 12, 2023.

1. Recording of Extraordinary Income

(1) Reason for Third-Party Allotment of Shares by HACOPELL and the Transfer of Shares held by the Company

The Company accepted the request as part of its capital policy to further strengthen the services and business growth of HACOPELL, which aims to realize a new open platform for the logistics industry.

(2) Status of Shareholding before and after the Transaction

- a. Number of Shares held before the Transaction 71,286 shares (ownership ratio of voting rights: 49.9%)
b. Number of Shares held after the Transaction 55,412 shares (ownership ratio of voting rights: 34.9%) *

(3) Amount of Extraordinary Income to be recorded (estimate) ** JPY 1,180MM

Notes:

* “Ownership ratio of voting rights” refers to the ownership ratio of voting rights after the third-party allotment of shares conducted by HACOPELL and the transfer of a portion of shares held by the Company.

** “Amount of Extraordinary Income to be recorded (estimate)” is a sum of the Extraordinary Income due to the change in the ownership ratio of voting rights (gain on change in equity) and the Extraordinary Income due to the Transaction (gain on sale of shares of affiliated companies).

2. Revised Consolidated Financial Forecast for FY2024 (August 1, 2023 - July 31, 2024)

	Revenue	Gross Profit	Operating Profit	non-GAAP EBITDA	Ordinary Profit	Net Profit Attributable to Owners of Parent
	in JPY MM	in JPY MM	in JPY MM	in JPY MM	in JPY MM	in JPY MM
Previously announced forecast (A)	47,000 - 48,000	14,500 - 15,000	2,000 - 2,200	3,780 - 3,880	1,400 - 1,500	900 - 1,000
Revised forecast (B)	49,400 - 50,400	15,700 - 16,200	2,080 - 2,280	4,050 - 4,150	1,550 - 1,650	1,700 - 1,800
Difference (B-A)	2,400	1,200	80	270	150	800
Difference in percentage (%)	5.0 - 5.1	8.0 - 8.3	3.6 - 4.0	7.0 - 7.1	10.0 - 10.7	80.0 - 88.9
[Reference] Actual results for FY 2023	41,018	12,295	1,765	3,145	1,168	1,329

Note: Non-GAAP profits are calculated by deducting or adjusting the non-recurring items and other specific adjustable items from financial accounting figures (Japanese GAAP) based on certain rules. We disclose the 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, which are mainly stock-based compensation expenses, depreciation, and amortization of goodwill.

3. Reasons for the Revision

The figures in revenue, each profit (on the right side of revenue) and non-GAAP EBITDA have taken into account the outlook of Amida's performance and the amortization of goodwill, and are unchanged from those mentioned in "Financial forecast after completion of TOB for AMIDA" on P. 35 of "Financial Results for the Fiscal Year Ending July 31, 2023."

Furthermore, the forecast for ordinary income and net income attributable to owners of the parent has been revised to mainly reflect the expected decrease in investment profit on equity method due to the change in shareholding ratio described in the above 1., gain on change in equity, gain on sale of shares of affiliated companies due to transfer of shares, and the estimated corporate tax on these items.

Note: The above forecasts are based on information currently available to the Company, and actual results may differ from the above due to various factors.