

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

Announcement of revision of consolidated financial forecast for the Fiscal Year Ending July 31st, 2024

RAKSUL INC. (the “Company”) hereby announces that the Company, based on recent performance trends and other factors, has decided to revise its consolidated financial forecast for the fiscal year ending July 31st, 2024 (August 1st, 2023 - July 31st, 2024), which was announced on October 19th, 2023.

1. Revised consolidated financial forecast for FY2024 (August 1st, 2023 - July 31st, 2024)

	Net Sales	Gross Profit	Operating Profit	non-GAAP EBITDA	Ordinary Profit	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)	49,400 ~50,400	15,700 ~16,200	2,080 ~2,280	4,050 ~4,150	1,550 ~1,650	1,700 ~1,800
Revised forecast (B)	50,700	17,000	2,300	4,300	1,900	2,100
Difference (B-A)	300 ~1,300	800 ~1,300	20 ~220	150 ~250	250 ~350	300 ~400
Difference in percentage (%)	0.6 ~2.6	4.9 ~8.3	0.9 ~10.6	3.6 ~6.2	15.2 ~22.6	16.7 ~23.5
(Reference) Actual results for FY 2023	41,018	12,295	1,785	3,145	1,168	1,329

Note 1: 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 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. Reasons for the difference

The figures in net sales, gross profit, all kinds of profits and non-GAAP EBITDA are expected to increase over the upper limit of the previously announced forecast, mainly due to the enterprise business and novelty business of the existing business in Raksul segment are expanding of performance and considering the current business progress and business circumstances.

Furthermore, ordinary profit and profit attributable to owners of parent have been revised from the previously announced forecast, mainly due to a decrease in share of loss of entities accounted for using equity method due to the change in shareholding ratio regarding Hacobell announced on October 19th, 2023, and gain on sale of shares of subsidiaries and associates due to transfer of shares, in addition to accounting extraordinary profit.

Note 2: The above forecasts are based on information currently available to the Company, and actual results may differ from the above due to various factors.