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March 15, 2024

Consolidated Financial Results for the Six Months Ended January 31, 2024 (Under Japanese GAAP)

Company name: Kurashicom Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 7110
 URL: <https://kurashi.com/>
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 Scheduled date to file quarterly securities report: March 15, 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for institutional investors and general investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended January 31, 2024 (from August 1, 2023 to January 31, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended										
January 31, 2024	3,583	—	683	—	654	—	714	—	462	—
January 31, 2023	—	—	—	—	—	—	—	—	—	—

Note: Comprehensive income For the six months ended January 31, 2024: ¥ 462 million [—%]
 For the six months ended January 31, 2023: ¥—million [—%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
January 31, 2024	62.70	—
January 31, 2023	—	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
January 31, 2024	5,375	4,403	81.9
July 31, 2023	—	—	—

Reference: Equity
 As of January 31, 2024: ¥4,403 million
 As of July 31, 2023: ¥—million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended July 31, 2023	—	0.00	—	45.00	45.00
Fiscal year ending July 31, 2024	—	0.00			
Fiscal year ending July 31, 2024 (Forecast)			—	—	—

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending July 31, 2024(from August 1, 2023 to July 31, 2024)

(Percentages represent change compared with the previous fiscal year)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	6,835	—	1,025	—	945	—	960	—	635	—	86.09

Note: Revisions to the forecast of earnings forecasts most recently announced: None

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: - companies (-)

Excluded: - companies (-)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements:
Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of January 31, 2024	7,370,400 shares
As of July 31, 2023	7,370,400 shares

(ii) Number of treasury shares at the end of the period

As of January 31, 2024	46 shares
As of July 31, 2023	46 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended January 31, 2024	7,370,354 shares
Six months ended January 31, 2023	7,298,952 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

(Cautionary Statement Concerning Forward-Looking Statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to us and on certain assumptions deemed to be reasonable.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Thousands of yen)

As of January 31, 2024

ASSETS

Current assets

Cash and deposits	3,958,113
Accounts receivable - trade	384,878
Merchandise	438,586
Work in process	1,436
Raw materials	5,274
Other	41,285
Total current assets	4,829,575

Non-current assets

Property, plant and equipment	83,531
Intangible assets	
Goodwill	204,663
Other	67,944
Total Intangible assets	272,607
Investments and other assets	189,612
Total non-current assets	545,752

Total Assets

5,375,327

LIABILITIES

Current liabilities

Accounts payable - trade	245,485
Current portion of long-term borrowings	58,332
Income taxes payable	252,503
Other	289,678
Total current liabilities	845,998

Non-current liabilities

Long-term borrowings	126,111
Total non-current liabilities	126,111

Total liabilities

972,109

NET ASSETS

Shareholders' equity

Share capital	100,000
Capital surplus	1,175,730
Retained earnings	3,127,544
Treasury shares	(56)
Total shareholders' equity	4,403,217

Total net assets

4,403,217

Total liabilities and net assets

5,375,327

Quarterly Consolidated Statements of Income

(Thousands of yen)

	Six months ended January 31, 2024
Net sales	3,583,440
Cost of sales	2,029,509
Gross profit	1,553,930
Selling, general and administrative expenses	899,112
Operating profit	654,817
Non-operating income	
Interest income	21
Commission income	6,397
Surrender value of insurance policies	52,489
Other	1,718
Total non-operating income	60,626
Non-operating expenses	
Interest expenses	512
Other	68
Total non-operating expenses	581
Ordinary profit	714,862
Profit before income taxes	714,862
Income taxes	252,731
Profit	462,131
Profit attributable to owners of parent	462,131

Quarterly Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Six months ended January 31, 2024
Profit	462,131
Comprehensive income	462,131
Comprehensive income attributable to Comprehensive income attributable to owners of parent	462,131

Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

Six months ended
January 31, 2024

Cash flows from operating activities	
Profit before income taxes	714,862
Depreciation	17,737
Amortization of goodwill	10,771
Interest income	△21
Commission income	△6,397
Surrender value of insurance policies	△52,489
Interest expenses	512
Decrease (increase) in trade receivables	△221,431
Decrease (increase) in inventories	△131,445
Increase (decrease) in trade payables	120,630
Increase (decrease) in accounts payable-other	△8,953
Increase (decrease) in accrued expenses	7,523
Increase (decrease) in consumption taxes payable	△1,642
Other	△17,105
Sub total	432,554
Interest received	21
Interest paid	△512
Commission income received	6,140
Proceeds from Surrender value of insurance policies	52,489
Income taxes paid	△156,540
Cash flows from operating activities	334,151
Cash flows from investing activities	
Purchase of property, plant and equipment	△22,900
Purchase of intangible assets	△1,600
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△299,874
Payments of leasehold and guarantee deposits	△25,069
Cash flows from investing activities	△349,445
Cash flows from financing activities	
Repayments of long-term borrowings	△31,666
Dividends paid	△331,665
Cash flows from financing activities	△363,331
Net increase (decrease) in cash and cash equivalents	△378,625
Cash and cash equivalents at beginning of period	4,336,738
Cash and cash equivalents at end of period	3,958,113