



KURASHICOM

Results for the Fiscal Year Ended July 31, 2024

September 13, 2024

Kurashicom Inc.

(TOKYO GROWTH MARKET : 7110)

HIGHLIGHTS

Net Sales
¥7,012M
YoY +15.7%
FY Jul.24
(Consolidated)

EBITDA
¥1,148M
YoY +16.8%
FY Jul.24
(Consolidated)

EBITDA Margin
16.4%
FY Jul.24
(Consolidated)

Operating
profit
¥1,083M
YoY +12.2%
FY Jul.24
(Consolidated)

- Achieving record sales due to the growth of "Hokuoh Kurashi no Douguten" sales and the inclusion of "foufou" sales. Sales exceeded 7 billion yen for the first time.
- Achieving record EBITDA due to the sales growth and appropriate cost control. EBITDA exceeded 1 billion yen for the first time.
- Forecasts for the fiscal year ending July 31, 2025: Net sales are expected to be 8.0 billion yen and EBITDA is expected to be 750 million yen due to a billion yen marketing investment.
- Annual Dividend per share for the fiscal year ended July 31, 2024: 17 yen

Statements of Income for FY7/2024 vs. the Previous Year

The sales growth was +15.7%, due to many new "Hokuoh Kurashi no Douguten" products which sold well and sales increase due to the start of "foufou" consolidation.

Maintained high profitability which absorbed the increased costs due to office relocation and amortization of goodwill by the acquisition of "foufou".

[¥ Million]

	FY Jul.24 Results (Consolidated)	FY Jul.23 Results (Non-Consolidated)	Change	Change[%]
Net Sales	7,012	6,060	+951	+15.7
Cost of sales	3,940	3,432	+507	+14.8
Gross Profit	3,072	2,628	+444	+16.9
Gross profit ratio	43.8%	43.4%	-	-
Selling, general and administrative expenses	1,988	1,662	+326	+19.6
Operating profit	1,083	965	+118	+12.2
Operating profit ratio	15.5%	15.9%	-	-
Ordinary profit	1,150	968	+182	+18.9
Ordinary profit ratio	16.4%	16.0%	-	-
Profit attributable to owners of parent	785	695	+90	+13.0
EBITDA	1,148	983	+165	+16.8
EBITDA margin	16.4%	16.2%	-	-

Results by segment for FY7/2024 vs. the Previous Year

The sales growth of "Hokuoh Kurashi no Douguten" was +10.2% for the year, especially in 2Q, due to an aggressive increase in new products.

Although "foufou" did not reach the forecast, it contributed to consolidated performance in terms of both sales and earnings.

[¥ Million]

		FY Jul.24 Results (Consolidated)	FY Jul.23 Results (Non-Consolidated)	Change	Change[%]
Hokuoh Kurashi no Douguten Segment	Net Sales	6,677	6,060	616	+10.2%
	EBITDA	1,108	983	124	+12.7%
	EBITDA margin	16.6%	16.2%	-	-
foufou Segment	Net Sales	335	-	-	-
	EBITDA	40	-	-	-
	EBITDA margin	12.1%	-	-	-
Consolidated	Net Sales	7,012	6,060	951	+15.7%
	EBITDA	1,148	983	165	+16.8%
	EBITDA margin	16.4%	16.2%	-	-

Balance Sheets at FY7/2024

The assets and liabilities, including goodwill, increased due to the start of "foufou" consolidation.
 The net cash was 4.04 billion yen which is sufficient despite M&A expenditures and dividend payments.
 Good balance sheet efficiency indicators with ROE of 17.5% and merchandise turnover of 9.0.

[¥Million]

	As of July 31, 2024	As of July 31, 2023	Change	Main Reason for change
Total Assets	5,596	5,020	+576	
Current Assets	4,890	4,829	+61	
Cash and deposits	4,195	4,336	△141	<ul style="list-style-type: none"> · Acquisition of foufou and Dividend payment △829M · Cash from operating activities +784M
Merchandise	423	271	+151	<ul style="list-style-type: none"> · fouofou +60M · Hokuoh Kurashi no Douguten +91M
Non-current assets	706	190	+515	New office +198M
Goodwill	193	—	+193	Acquisition of foufou
Liabilities	869	742	+127	
Borrowings	152	216	△63	Repayment
Other	717	526	+190	Increase in accounts payable, accrued liabilities and income taxes payable
Net Assets	4,726	4,277	+449	<ul style="list-style-type: none"> · Profit +785M · Dividend payment△331M

Forecast for FY7/2025

EBITDA margin for FY7/25 will drop to 9.4% due to the increase of marketing investments such as mass media advertising as an upfront investment.

No major changes in gross margin or other cost structures, maintaining underlying profitability.

[¥Million]

	FY Jul.25 Forecasts	FY Jul.24 Results	Change[%]
Net Sales	8,000	7,012	+14.1%
Gross Profit	3,470	3,072	+12.9%
Operating Profit	680	1,083	△37.3%
Ordinary Profit	700	1,150	△39.2%
Profit attributable to owners of parent	450	785	△42.7%
EBITDA	750	1,148	△34.7%
EBITDA margin	9.4%	16.4%	-

Forecasts by Segment for FY7/2025

"Hokuoh Kurashi no Douguten" sales growth would be re-accelerated at +14.7% due to the effect of marketing investments. EBITDA will decrease because the scale of investment expansion is planned to be about 500 million yen, but EBITDA margin will still be 9.2%.

"foufou" challenges new initiatives for future business growth.

[¥Million]

		FY Jul.25 Forecasts	FY Jul.24 Results	Change[%]
Hokuoh Kurashi no Douguten Segment	Net Sales	7,660	6,677	+14.7%
	EBITDA	705	1,108	△36.4%
	EBITDA margin	9.2%	16.6%	-
foufou Segment	Net Sales	340	335	+1.4%
	EBITDA	45	40	+10.8%
	EBITDA margin	13.2%	12.1%	-
Consolidated	Net Sales	8,000	7,012	+14.1%
	EBITDA	750	1,148	△34.7%
	EBITDA margin	9.4%	16.4%	-