



**KURASHICOM**

Summary of Results for the Six Months Ended January 31, 2024

Kurashicom Inc.  
(TOKYO GROWTH MARKET : 7110)

# HIGHLIGHTS

YoY Sales  
Growth Ratio

**+26.1%**

YoY EBITDA  
Growth Ratio

**+60.7%**

EBITDA Margin

**20.0%**

- The 26.1% increase in sales was due to the growth in "Hokuoh Kurashi no Douguten" sales and the inclusion of "foufou" sales.
- The 60.7% increase in EBITDA was due to the sales growth and appropriate cost control.
- EBITDA margin is higher than this year's forecast of 15%.
- Steady progress in 1H, exceeding earnings forecasts

# Statements of Income for 2Q of FY7/2024 vs. 2Q of the Previous Year

Our 2Q financial results are growing despite the continuous moderate inflation and downward trend in consumer spending. Record quarterly sales and EBITDA due to the solid growth of "Hokuoh Kurashi no Douguten" and inclusion of "foufou" started from this year.

[¥ Million]

	2Q Results FY Jul.24 (Consolidated)	2Q Results FY Jul.23 (Non-Consolidated)	Change	Change[%]
Net Sales	<b>1,823</b>	1,446	+377	+26.1
Cost of sales	<b>1,019</b>	832	+187	+22.5
Gross Profit	<b>804</b>	614	+190	+30.9
Gross profit ratio	<b>44.1%</b>	42.5%	-	-
Selling, general and administrative expenses	<b>454</b>	389	+65	+16.7
Operating profit	<b>349</b>	224	+124	+55.5
Operating profit ratio	<b>19.2%</b>	15.6%	-	-
Ordinary profit	<b>405</b>	227	+178	+78.6
Ordinary profit ratio	<b>22.3%</b>	15.7%	-	-
Profit attributable to owners of parent	<b>264</b>	157	+107	+68.2
EBITDA	<b>363</b>	226	+137	+60.7
EBITDA margin	<b>20.0%</b>	15.7%	-	-

※ EBITDA = Operating Profit + Depreciation and amortization + Goodwill amortization

## Results by segment for 2Q of FY7/2024 vs. 2Q of the Previous Year

Despite the difficult domestic consumption environment and a warm winter, "Hokuoh Kurashi no Douguten" increased its sales significantly and achieved both sales and profit growth.

"foufou" has been focusing on building a new management structure. Profitability remained strong throughout the second quarter despite the first sales campaign.

[¥ Million]

		2Q Results FY Jul. 24	2Q Results FY Jul. 23	Change	Change[%]
Hokuoh Kurashi no Douguten Segment	Net Sales	1,722	1,446	276	+19.1%
	EBITDA	349	226	122	+54.2%
	EBITDA margin	20.3%	15.7%	-	-
foufou Segment	Net Sales	101	-	-	-
	EBITDA	14	-	-	-
	EBITDA margin	14.6%	-	-	-
Consolidated	Net Sales	1,823	1,446	377	+26.1%
	EBITDA	363	226	137	+60.7%
	EBITDA margin	20.0%	15.7%	-	-

## Balance Sheets at 2Q of FY7/2024

The assets and liabilities, including goodwill, increased due to the start of "foufou" consolidation.

The net cash was 3.77 billion yen which is sufficient despite M&A expenditures and dividend payments.

The capital reduction completed on December 15, 2023 during 2Q which aimed for ensuring flexibility in capital policy and shareholder returns (no impact on net assets)

[¥ Million]

	As of Jan. 31, 2024	As of Jul. 31, 2023	Change	Main Reason for change
Total Assets	5,375	5,020	+355	
Current Assets	4,829	4,829	+0	
Cash and deposits	3,958	4,336	△378	<ul style="list-style-type: none"> <li>Acquisition of foufou and Dividend payment △631M</li> <li>Cash from operating activities +334M</li> </ul>
Merchandise	438	271	+167	<ul style="list-style-type: none"> <li>foufou +54M</li> <li>Hokuoh Kurashi no Douguten +113M</li> </ul>
Non-current assets	545	190	+354	
Goodwill	204	—	+204	Acquisition of foufou
Liabilities	972	742	+229	
Borrowings	184	216	△31	
Other	787	526	+261	Accounts payable for spring/summer products +136M
Net Assets	4,403	4,277	+125	<ul style="list-style-type: none"> <li>Profit(Cumulative 2Q) +462M</li> <li>Dividend payment △331M</li> </ul>

## Progress of Business Forecasts for FY7/2024

Sales and profit exceeded the forecast in the 1H despite the impact of various external factors such as unfavorable climate and consumption environment.

As the fixed costs will increase in the 2H due to the relocation of new offices and there could have marketing expenditures and other investments, adjustment of forecast for the fiscal year will be determined after 3Q.

[¥ Million]

	Result [Cumulative 2Q]	FY Jul. 2024 Forecasts	Rate of progress[%]
Net Sales	3,583	6,835	52.4%
Operating Profit	654	945	69.3%
Ordinary Profit	714	960	74.5%
Profit attributable to owners of parent	462	635	72.8%
EBITDA	683	1,025	66.7%
EBITDA margin	19.1%	15.0%	-

# Progress of Business Forecasts by segment for FY7/2024

Both sales and EBITDA of "Hokuoh Kurashi no Douguten" exceeded the forecast.

The sales of "foufou" were mostly in line with the plan. EBITDA exceeded the expectation.

[¥ Million]

		Result [Cumulative 2Q]	FY Jul. 2024 Forecasts	Rate of progress[%]
<b>Hokuoh Kurashi no Douguten Segment</b>	Net Sales	3,377	6,465	52.2%
	EBITDA	645	970	66.5%
	EBITDA margin	19.1%	15.0%	-
<b>foufou Segment</b>	Net Sales	205	370	55.6%
	EBITDA	38	55	69.6%
	EBITDA margin	18.6%	14.9%	-
<b>Consolidated</b>	Net Sales	3,583	6,835	52.4%
	EBITDA	683	1,025	66.7%
	EBITDA margin	19.1%	15.0%	-