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Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 15, 2024

Company name: RareJob, Inc.
 Stock exchange listing: Tokyo
 Code number: 6096
 URL: <https://www.rarejob.co.jp>
 Representative: Gaku Nakamura CEO
 Contact: Yuji Inoue Head of Finance Strategic Division
 Phone: +81-3-5468-7401
 Scheduled date of Annual General Meeting of Shareholders: June 26, 2024
 Scheduled date of commencing dividend payments: June 27, 2024
 Scheduled date of filing annual securities report: June 26, 2024
 Availability of supplementary briefing material on annual financial results: Yes
 Schedule of annual financial results briefing session: Yes (for analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	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	%
Fiscal year ended March 31, 2024	10,175	75.8	1,146	109.3	696	205.2	700	150.8	(288)	-
March 31, 2023	5,787	3.4	547	(5.7)	228	(21.7)	279	15.4	194	4.9

*EBITDA : Operating profit + Depreciation and amortization + Amortization of goodwill

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ (234) million [-%]
 Fiscal year ended March 31, 2023: ¥ 160 million [(20.2)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2024	(30.49)	-	(13.6)	10.7	6.8
March 31, 2023	20.69	20.54	8.4	4.2	3.9

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ (19) million
 Fiscal year ended March 31, 2023: ¥ 86 million

(Note) Diluted earnings per share are not noted for this reporting period as the Company has recorded a basic loss per share despite the existence of dilutive shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	6,256	1,833	29.0	191.59
March 31, 2023	6,835	2,624	35.5	255.44

(Reference) Equity: As of March 31, 2024: ¥ 1,811 million
 As of March 31, 2023: ¥ 2,426 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2024	834	321	(766)	2,664
March 31, 2023	471	(1,725)	371	2,243

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	-	0.00	-	12.00	12.00	113	58.0	4.9
March 31, 2024	-	0.00	-	13.00	13.00	122	-	5.8
Fiscal year ending March 31, 2025 (Forecast)	-	0.00	-	5.00	5.00		67.5	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	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	10,200	0.2	515	(55.1)	200	(71.3)	185	(73.6)	70	-	7.40

(Note) The Company hasn't conducted the forecast for the first half ending September 30, 2024 (April 1, 2024 to September 30, 2024).

* Notes:

(1) Changes in significant subsidiaries during the period under review

(changes in specified subsidiaries resulting in changes inscope of consolidation): Yes

New 1 Company name: BORDERLINK, Inc.

Exclusion: 2 Company name: Envision, Inc., shikaku square, Inc.

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

March 31, 2024: 9,845,600 shares

March 31, 2023: 9,800,800 shares

2) Number of treasury shares at the end of the period:

March 31, 2024: 388,651 shares

March 31, 2023: 302,991 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 9,449,234 shares

Fiscal Year ended March 31, 2023: 9,377,186 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	4,650	5.9	(3)	-	338	95.4	(515)	-
March 31, 2023	4,392	(5.8)	(16)	-	173	(41.2)	147	(25.6)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	(54.53)	-
March 31, 2023	15.73	15.62

(Note) Diluted earnings per share are not noted for this reporting period as the Company has recorded a basic loss per share despite the existence of dilutive shares.

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	3,771	1,670	43.7	174.38
March 31, 2023	6,787	2,507	36.1	258.18

(Reference) Equity: As of March 31, 2024: ¥ 1,649 million

As of March 31, 2023: ¥ 2,452 million

- * This financial report is not subject to the statutory audit by a certified public accountant or audit firm.
- * Explanation about the proper use of earnings forecasts, and other special notes:
The forward-looking statements, including results forecasts, contained in this document are based on information the Company has obtained as of today and certain assumptions the Company considers reasonable. The Company does not guarantee its achievement of the forward-looking statements. Actual results may differ significantly depending on a variety of factors
- * Supplementary materials and IR meetings on financial results:
Supplementary materials on financial results can be found on our web site.
We will hold an IR meeting on financial results for analysts and institutional investors on May 15, 2024.
Contents of the meeting will be posted on our web site immediately after the meeting

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	2,243,352	2,664,124
Accounts receivable - trade	93,191	661,675
Prepaid expenses	102,541	108,769
Derivatives	21,581	57,597
Other	474,160	108,848
Total current assets	2,934,827	3,601,015
Non-current assets		
Property, plant and equipment		
Buildings	101,628	117,967
Accumulated depreciation	(39,662)	(53,239)
Buildings, net	61,966	64,728
Tools, furniture and fixtures	177,381	196,941
Accumulated depreciation	(126,351)	(149,045)
Tools, furniture and fixtures, net	51,029	47,895
Vehicles	2,614	25,450
Accumulated depreciation	(2,614)	(19,944)
Vehicles, net	0	5,506
Right-of use assets	85,783	43,712
Accumulated depreciation	(26,544)	(30,109)
Right-of-use assets, net	59,239	13,602
Total property, plant and equipment	172,236	131,733
Intangible assets		
Trademark right	2,971	2,075
Software	576,664	389,022
Software in progress	1,370	18,534
Goodwill	752,310	980,420
Content assets	58,392	-
Customer-related intangible assets	-	888,959
Other	979	622
Total intangible assets	1,392,689	2,279,635
Investments and other assets		
Investment securities	989,199	2,601
Leasehold deposits	104,729	121,736
Deferred tax assets	42,687	101,368
Advance payments	1,165,035	-
Other	33,696	18,274
Total investments and other assets	2,335,348	243,981
Total non-current assets	3,900,274	2,655,350
Total assets	6,835,102	6,256,365

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Current portion of long-term borrowings	361,368	331,368
Lease liabilities	9,912	6,829
Accounts payable - other	195,739	234,223
Accrued expenses	242,004	467,406
Income taxes payable	84,615	63,733
Accrued consumption taxes	73,833	228,223
Advances received	598,452	483,315
Deposits received	21,671	39,284
Refund liabilities	5,552	-
Provision for bonuses	60,864	85,536
Derivative liabilities	3,512	-
Other	31,379	32,873
Total current liabilities	1,688,908	1,972,794
Non-current liabilities		
Long-term borrowings	2,419,864	2,088,496
Retirement benefit liability	21,832	30,777
Lease liabilities	56,006	6,466
Asset retirement obligations	3,291	3,073
Deferred tax liabilities	20,203	320,370
Other	567	765
Total non-current liabilities	2,521,765	2,449,949
Total liabilities	4,210,673	4,422,744
Net assets		
Shareholders' equity		
Share capital	644,725	657,207
Capital surplus	828,336	641,113
Retained earnings	1,102,136	700,095
Treasury shares	(187,186)	(278,626)
Total shareholders' equity	2,388,012	1,719,790
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,586	293
Deferred gains or losses on hedges	12,491	56,979
Foreign currency translation adjustment	14,942	28,915
Remeasurements of defined benefit plans	7,081	5,832
Total accumulated other comprehensive income	38,102	92,020
Share acquisition rights	55,475	21,807
Non-controlling interests	142,837	2
Total net assets	2,624,428	1,833,621
Total liabilities and net assets	6,835,102	6,256,365

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	5,787,323	10,175,419
Cost of sales	2,348,656	5,732,875
Gross profit	3,438,666	4,442,544
Selling, general and administrative expenses	3,210,316	3,745,545
Operating profit	228,349	696,998
Non-operating income		
Interest income	177	2,400
Share of profit of entities accounted for using equity method	86,978	-
Foreign exchange gains	-	19,527
Commission income	-	11,221
Subsidy income	5,661	6,517
Other	8,368	4,190
Total non-operating income	101,187	43,857
Non-operating expenses		
Interest expenses	13,854	15,870
Foreign exchange losses	19,883	-
Share of loss of entities accounted for using equity method	-	19,376
Other	16,367	4,908
Total non-operating expenses	50,106	40,155
Ordinary profit	279,430	700,700
Extraordinary income		
Gain on sale of non-current assets	1,092	1,678
Gain on reversal of share acquisition rights	9,997	28,987
Gain on step acquisitions	-	11,748
Gain on liquidation of business	4,839	8,803
Total extraordinary income	15,929	51,216
Extraordinary losses		
Loss on sale of non-current assets	1,531	-
Loss on retirement of non-current assets	6,589	5,075
Loss on cancellation of insurance policies	-	5,331
Loss on business restructuring	-	18,960
Loss on withdrawal from business	-	7,000
Loss on valuation of investment securities	-	43,223
Impairment losses	-	796,738
Total extraordinary losses	8,121	876,329
Profit (loss) before income taxes	287,239	(124,412)
Income taxes - current	123,051	203,273
Income taxes - deferred	4,940	(39,617)
Total income taxes	127,992	163,655
Profit (loss)	159,246	(288,068)
Loss attributable to non-controlling interests	(34,791)	(0)
Profit (loss) attributable to owners of parent	194,038	(288,067)

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit (loss)	159,246	(288,068)
Other comprehensive income		
Valuation difference on available-for-sale securities	2,240	(3,293)
Deferred gains or losses on hedges	(22,619)	44,488
Foreign currency translation adjustment	8,950	13,972
Remeasurements of defined benefit plans, net of tax	13,127	(1,249)
Total other comprehensive income	1,699	53,918
Comprehensive income	160,946	(234,149)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	195,406	(234,149)
Comprehensive income attributable to non-controlling interests	(34,459)	(0)

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	606,699	787,446	1,010,441	(222,263)	2,182,324
Changes during period					
Issuance of new shares	38,026	38,026			76,052
Dividends of surplus			(102,343)		(102,343)
Profit (loss) attributable to owners of parent			194,038		194,038
Purchase of treasury shares					-
Transfer-restricted stock-based compensation		2,864		35,076	37,940
Purchase of shares of consolidated subsidiaries					-
Increase (decrease) by merger					-
Net changes in items other than shareholders' equity					
Total changes during period	38,026	40,890	91,695	35,076	205,688
Balance at end of period	644,725	828,336	1,102,136	(187,186)	2,388,012

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,346	34,993	7,425	(6,687)	37,078	82,520	177,297	2,479,220
Changes during period								
Issuance of new shares								76,052
Dividends of surplus								(102,343)
Profit (loss) attributable to owners of parent								194,038
Purchase of treasury shares								-
Transfer-restricted stock-based compensation								37,940
Purchase of shares of consolidated subsidiaries								-
Increase (decrease) by merger								-
Net changes in items other than shareholders' equity	2,240	(22,502)	7,516	13,769	1,024	(27,044)	(34,459)	(60,480)
Total changes during period	2,240	(22,502)	7,516	13,769	1,024	(27,044)	(34,459)	145,207
Balance at end of period	3,586	12,491	14,942	7,081	38,102	55,475	142,837	2,624,428

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	644,725	828,336	1,102,136	(187,186)	2,388,012
Changes during period					
Issuance of new shares	12,481	12,481			24,963
Dividends of surplus			(113,973)		(113,973)
Profit (loss) attributable to owners of parent			(288,067)		(288,067)
Purchase of treasury shares				(299,965)	(299,965)
Transfer-restricted stock-based compensation		15,222		47,094	62,316
Purchase of shares of consolidated subsidiaries		(53,496)			(53,496)
Increase (decrease) by merger		(161,431)		161,431	-
Net changes in items other than shareholders' equity					
Total changes during period	12,481	(187,223)	(402,040)	(91,439)	(668,222)
Balance at end of period	657,207	641,113	700,095	(278,626)	1,719,790

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,586	12,491	14,942	7,081	38,102	55,475	142,837	2,624,428
Changes during period								
Issuance of new shares								24,963
Dividends of surplus								(113,973)
Profit (loss) attributable to owners of parent								(288,067)
Purchase of treasury shares								(299,965)
Transfer-restricted stock-based compensation								62,316
Purchase of shares of consolidated subsidiaries								(53,496)
Increase (decrease) by merger								-
Net changes in items other than shareholders' equity	(3,293)	44,488	13,972	(1,249)	53,918	(33,667)	(142,835)	(122,584)
Total changes during period	(3,293)	44,488	13,972	(1,249)	53,918	(33,667)	(142,835)	(790,806)
Balance at end of period	293	56,979	28,915	5,832	92,020	21,807	2	1,833,621

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	287,239	(124,412)
Depreciation	225,503	282,697
Share-based payment expenses	41,741	55,482
Amortization of goodwill	93,781	166,597
Share of loss (profit) of entities accounted for using equity method	(86,978)	19,376
Interest income	(177)	(2,400)
Interest expenses	13,854	15,870
Loss (gain) on sale of non-current assets	438	(1,678)
Gain on reversal of share acquisition rights	(9,997)	(28,987)
Gain on liquidation of business	(4,839)	(8,803)
Loss (gain) on step acquisitions	-	(11,748)
Loss (gain) on cancellation of insurance policies	-	5,331
Loss on retirement of non-current assets	6,589	5,075
Loss (gain) on valuation of investment securities	-	43,223
Subsidy income	(5,661)	(6,517)
Impairment losses	-	796,738
Decrease (increase) in trade receivables	22,461	(44,297)
Decrease (increase) in prepaid expenses	(22,820)	13,710
Increase (decrease) in accounts payable - other	9,196	26,901
Increase (decrease) in accrued expenses	(10,335)	52,436
Increase (decrease) in accrued consumption taxes	19,743	51,949
Increase (decrease) in advances received	(112,636)	(118,102)
Increase (decrease) in provision for bonuses	(11,418)	(13,437)
Decrease (increase) in other assets	(33,285)	19,760
Increase (decrease) in other liabilities	(15,927)	11,777
Other, net	7,836	(11,558)
Subtotal	414,307	1,194,985
Interest and dividends received	108,977	2,399
Interest paid	(15,444)	(15,911)
Subsidies received	5,661	6,517
Income taxes paid	(86,026)	(391,549)
Income taxes refund	43,591	38,266
Net cash provided by (used in) operating activities	471,066	834,708
Cash flows from investing activities		
Purchase of property, plant and equipment	(24,473)	(31,380)
Proceeds from sale of property, plant and equipment	3,191	1,699
Purchase of intangible assets	(222,030)	(130,023)
Proceeds from refund of leasehold and guarantee deposits	27,890	2,165
Payments of leasehold and guarantee deposits	(3,492)	(7,990)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	144,735
Advance payments for purchase of shares of subsidiaries and associates	(1,165,035)	-
Other, net	(341,159)	342,572
Net cash provided by (used in) investing activities	(1,725,109)	321,778

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from financing activities		
Proceeds from long-term borrowings	2,159,800	-
Repayments of long-term borrowings	(1,733,768)	(361,368)
Purchase of treasury shares	-	(299,965)
Repayments of lease liabilities	(11,784)	(11,787)
Proceeds from exercise of employee share options	59,004	20,283
Dividends paid	(102,092)	(113,720)
Net cash provided by (used in) financing activities	371,160	(766,557)
Effect of exchange rate change on cash and cash equivalents	4,800	30,843
Net increase (decrease) in cash and cash equivalents	(878,083)	420,772
Cash and cash equivalents at beginning of period	3,121,435	2,243,352
Cash and cash equivalents at end of period	2,243,352	2,664,124