

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



May 15, 2024

Non-consolidated Financial Results for the Nine Months Ended March 31, 2024 (Under Japanese GAAP)

Company name: Bleach, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 9162
 URL: <http://bleach.co.jp> (in Japanese)
 Representative: Keisuke Odaira, President and CEO
 Inquiries: Takuya Matsumoto, Director, CFO
 Telephone: +81-3-6265-8346
 Scheduled date to file quarterly securities report: May 15, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

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

1. Non-consolidated financial results for the nine months ended March 31, 2024 (from July 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
March 31, 2024	10,881	–	(26)	–	(81)	–	(53)	–
March 31, 2023	–	–	–	–	–	–	–	–

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
March 31, 2024	(2.13)	–
March 31, 2023	–	–

- Notes: 1. Bleach, Inc. (the “Company”) did not prepare quarterly financial statements for the nine months ended March 31, 2023. Therefore, the figures and the year-on-year percentage changes for the nine months ended March 31, 2023 and the year-on-year percentage changes for the nine months ended March 31, 2024 are not presented.
2. Information on diluted earnings per share for the nine months ended March 31, 2024, is omitted since, although potential shares did exist, the recorded figure was a basic loss per share.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
March 31, 2024	13,725	9,735	70.9
June 30, 2023	8,573	3,251	37.9

Reference: Equity
 As of March 31, 2024: ¥9,734 million
 As of June 30, 2023: ¥3,248 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 June 30, 2023	–	0.00	–	0.00	0.00
Fiscal year ending June 30, 2024	–	0.00	–		
Fiscal year ending June 30, 2024 (Forecast)				0.00	0.00

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

3. Non-consolidated earnings forecasts for the fiscal year ending June 30, 2024 (from July 1, 2023 to June 30, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending June 30, 2024	15,795 to 17,655	(23.0) to (13.9)	(198) to 248	– to (88.8)	(264) to 182	– to (91.5)	(267) to 116	– to (91.4)	(10.47) to 4.55

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

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly financial statements: None

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	25,479,200 shares
As of June 30, 2023	20,050,000 shares

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

As of March 31, 2024	–
As of June 30, 2023	–

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

Nine months ended March 31, 2024	25,348,716 shares
Nine months ended March 31, 2023	–

Note: The Company did not prepare quarterly financial statements for the nine months ended March 31, 2023. Therefore, the average number of shares outstanding for the nine months ended March 31, 2023 is not presented.

* 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

Please refer to “1. Qualitative information on financial results for the nine months ended March 31, 2024” on page 2 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

Attached Material**Index**

1. Qualitative information on financial results for the nine months ended March 31, 2024.....	2
(1) Explanation of operating results.....	2
(2) Explanation of financial position.....	2
(3) Explanation of earnings forecasts and other forward-looking information.....	2
2. Quarterly financial statements and significant notes thereto	3
(1) Quarterly balance sheet	3
(2) Quarterly statement of income (cumulative).....	4
(3) Notes to quarterly financial statements	5
Notes on premise of going concern.....	5
Notes on substantial change in the amount of shareholders' equity	5
Segment information, etc.	5

1. Qualitative information on financial results for the nine months ended March 31, 2024

(1) Explanation of operating results

During the nine months ended March 31, 2024, the Japanese economy remained uncertain due to the prolonged instability in Ukraine, soaring raw material prices, and the yen's depreciation, however, a macroeconomic recovery is expected due to the resumption of economic activities following the end of COVID-19 and the effects of various policies such as measures to counter high prices.

Under these circumstances, Bleach, Inc. (the "Company") worked to expand its product categories and marketing methods, and to acquire new clients in response to the continued expansion of the online BtoC market and the online advertising market, as well as the growing demand for its unique business model. In addition, in order to implement these measures, the Company strengthened its recruitment and training of human resources, mainly marketers, and expanded the scale of its business.

As a result, operating results for the nine months ended March 31, 2024 were net sales of ¥10,881,719 thousand, operating loss of ¥26,288 thousand, ordinary loss of ¥81,544 thousand, and loss of ¥53,886 thousand.

Segment information is not presented because the Company operates a single segment of "sharing-type integrated marketing business."

(2) Explanation of financial position

Assets

Total assets as of March 31, 2024 were ¥13,725,201 thousand, an increase of ¥5,151,973 thousand from the end of the previous fiscal year. This was primarily due to increases of ¥4,304,375 thousand in cash and deposits, ¥317,714 thousand in income taxes receivable, and ¥246,969 thousand in accounts receivable - trade.

Liabilities

Total liabilities as of March 31, 2024 were ¥3,989,728 thousand, a decrease of ¥1,332,060 thousand from the end of the previous fiscal year. This was primarily due to decreases of ¥540,000 thousand in long-term borrowings (including current portion), ¥514,167 thousand in income taxes payable, and ¥189,329 thousand in accrued consumption taxes, despite an increase of ¥38,457 thousand in accounts payable - trade.

Net assets

Total net assets as of March 31, 2024 were ¥9,735,473 thousand, an increase of ¥6,484,034 thousand from the end of the previous fiscal year. This was primarily due to increases of ¥3,275,642 thousand in share capital and ¥3,275,642 thousand in capital surplus, and a decrease of ¥53,886 thousand in retained earnings.

(3) Explanation of earnings forecasts and other forward-looking information

Regarding the non-consolidated earnings forecasts for the fiscal year ending June 30, 2024, there is no change from "Notice of Revisions to Earnings Forecasts of Financial Results for the Fiscal Year Ending June 30, 2024" announced on February 14, 2024.

2. Quarterly financial statements and significant notes thereto

(1) Quarterly balance sheet

(Thousands of yen)

	As of June 30, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	5,902,361	10,206,736
Accounts receivable - trade	1,371,486	1,618,455
Advance payments to suppliers	863,234	979,654
Prepaid expenses	57,289	99,972
Accounts receivable - other	14,233	14,148
Income taxes receivable	–	317,714
Consumption taxes refund receivable	–	38,152
Other	10	46,761
Total current assets	8,208,614	13,321,597
Non-current assets		
Property, plant and equipment	119,152	107,871
Intangible assets	–	34,910
Investments and other assets	245,461	260,822
Total non-current assets	364,614	403,604
Total assets	8,573,228	13,725,201
Liabilities		
Current liabilities		
Accounts payable - trade	666,912	705,369
Current portion of long-term borrowings	720,000	720,000
Accounts payable - other	518,442	421,911
Accrued expenses	134,184	129,327
Income taxes payable	514,167	–
Accrued consumption taxes	189,329	–
Advances received	–	253
Provision for bonuses	42,000	–
Other	16,752	32,867
Total current liabilities	2,801,789	2,009,728
Non-current liabilities		
Long-term borrowings	2,520,000	1,980,000
Total non-current liabilities	2,520,000	1,980,000
Total liabilities	5,321,789	3,989,728
Net assets		
Shareholders' equity		
Share capital	100,000	3,375,642
Capital surplus	25,000	3,300,642
Retained earnings	3,086,550	3,032,664
Total shareholders' equity	3,211,550	9,708,950
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	37,016	25,956
Total valuation and translation adjustments	37,016	25,956
Share acquisition rights	2,872	566
Total net assets	3,251,439	9,735,473
Total liabilities and net assets	8,573,228	13,725,201

(2) Quarterly statement of income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2024
Net sales	10,881,719
Cost of sales	9,646,414
Gross profit	1,235,305
Selling, general and administrative expenses	1,261,593
Operating loss	(26,288)
Non-operating income	
Interest income	94
Gain on investments in capital	3,983
Surrender value of insurance policies	1,790
Miscellaneous income	1,126
Total non-operating income	6,994
Non-operating expenses	
Interest expenses	19,386
Listing expenses	42,038
Other	825
Total non-operating expenses	62,250
Ordinary loss	(81,544)
Extraordinary income	
Gain on reversal of share acquisition rights	2,297
Total extraordinary income	2,297
Extraordinary losses	
Loss on valuation of investment securities	63
Total extraordinary losses	63
Loss before income taxes	(79,311)
Income taxes - current	2,850
Income taxes - deferred	(28,275)
Total income taxes	(25,425)
Loss	(53,886)

(3) Notes to quarterly financial statements

Notes on premise of going concern

Not applicable.

Notes on substantial change in the amount of shareholders' equity

The Company listed its shares on the Growth Market of the Tokyo Stock Exchange on July 5, 2023. In this listing, 5,000,000 new shares were issued through a public offering (offering through book building method) with July 4, 2023 as the payment date, resulting in share capital increasing by ¥3,082,000 thousand and capital surplus increasing by ¥3,082,000 thousand.

Furthermore, 309,600 new shares were issued through a paid third-party allotment (third-party allotment linked to a secondary offering through over-allotment) with August 2, 2023 as the payment date, resulting in share capital and capital surplus both increasing by ¥190,837 thousand.

As a result, as of December 31, 2023, including the increases due to the exercise of share acquisition rights for the nine months ended March 31, 2024, share capital was ¥3,375,642 thousand, and capital surplus was ¥3,300,642 thousand.

Segment information, etc.

Segment information

For the nine months ended March 31, 2024

Segment information is omitted because the Company operates a single segment of sharing-type integrated marketing business.