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June 27, 2024

Consolidated Financial Results for the Fiscal Year Ended May 31, 2024 (Under Japanese GAAP)

Company name: Feedforce Group Inc.
Listing: Tokyo Stock Exchange Growth
Securities code: 7068
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Scheduled date of annual general meeting of shareholders: August 23, 2024
Scheduled date to commence dividend payments: —
Scheduled date to file annual securities report: August 26, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated financial results for the fiscal year ended May 31, 2023 (from June 1, 2022 to May 31, 2023)

(1) Consolidated operating results

(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	%
Fiscal year ended										
May 31, 2024	4,229	6.6	1,445	13.3	1,237	20.2	1,166	14.3	473	319.4
May 31, 2023	3,966	32.0	1,275	12.1	1,029	10.7	1,020	11.8	112	△81.3

Note: Comprehensive income For the fiscal year ended May 31, 2024: ¥471 million [—%]
For the fiscal year ended May 31, 2023: ¥23 million [△96.1%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
May 31, 2024	18.23	17.95	17.0	15.9	29.3
May 31, 2023	4.34	4.28	3.9	13.5	26.0

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended May 31, 2024: ¥△31 million
For the fiscal year ended May 31, 2023: ¥△10 million

Note: EBITDA is a sum of operating profit, depreciation, and amortization.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
May 31, 2024	7,559	2,889	36.9	108.37
May 31, 2023	7,119	2,890	39.0	108.01

Reference: Equity
As of May 31, 2024: ¥2,792 million
As of May 31, 2023: ¥2,775 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
May 31, 2024	862	74	△10	3,522
May 31, 2023	175	△115	△1,047	2,596

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended May 31, 2023	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended May 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending May 31, 2025 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Consolidated earnings forecasts for the fiscal year ending May 31, 2025 (from June 1, 2024 to May 31, 2025)

(Percentages represent year-on-year changes)

	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
First Half ending November 30, 2024 (Forecast)	2,144	△0.0	859	14.0	754	16.4	744	19.5	490	179.0	19.14
Fiscal year ending May 31, 2025 (Forecast)	4,580	8.3	2,014	39.3	1,800	45.5	1,781	52.7	1,172	147.6	45.90

Note: EBITDA is a sum of operating profit, depreciation, and amortization.

*Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): 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 May 31, 2024	25,768,658 shares
As of May 31, 2023	25,693,258 shares

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

As of May 31, 2024	— shares
As of May 31, 2023	— shares

(iii) Average number of shares outstanding during the period

Fiscal year ended May 31, 2024	25,962,174 shares
Fiscal year ended May 31, 2023	25,977,490 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended May 31, 2024 (from June 1, 2023 to May 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2024	770	△18.8	515	△28.1	475	△32.7	△590	—
May 31, 2023	949	△0.7	717	27.2	705	44.6	4	△99.1

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
May 31, 2024	△22.74	—
May 31, 2023	0.16	0.16

Note:1. The decrease in Net sales for the fiscal year ending May 2024 was due to a decrease in dividends from consolidated subsidiaries from the previous fiscal year, as disclosed in the "Notice Concerning the Receipt of Dividends from Consolidated Subsidiaries" dated August 25, 2023.

2. The decrease in Ordinary profit in the fiscal year ended May 2024 was due to the recording of loan fees for borrowings related to the "Notice on Borrowing of Funds" dated March 28, 2024.

3. The decrease in Profit for the fiscal year ended May 2024 was due to the recording of a loss on the valuation of shares of Subsidiary companies, as disclosed in the "Notice of Recording of Valuation Losses on Shares of Subsidiary Companies (Non-consolidated Financial Results)" dated April 19, 2024.

4. The decrease in net income for the fiscal year ended May 31, 2023 is due to the posting of loss on valuation of stocks of affiliated companies.

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
May 31, 2024	7,737	5,493	69.8	209.44
May 31, 2023	7,740	5,991	76.2	229.48

Reference: Equity

As of May 31, 2024: ¥5,396 million

As of May 31, 2023: ¥5,896 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to Feedforce Group Inc. and certain assumptions deemed reasonable. Results may differ materially from the consolidated forecasts due to various factors.