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March 15, 2023

Non-consolidated Financial Results for the Six Months Ended January 31, 2023 (Under Japanese GAAP)

Company name: Kurashicom Inc.

Listing: Tokyo Stock Exchange

Securities code: 7110

URL: <https://kurashi.com/>

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Scheduled date to file quarterly securities report: March 15, 2023

Scheduled date to commence dividend payments: -

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results briefing: Yes (for institutional investors)

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

1. Non-consolidated financial results for the six months ended January 31, 2023 (from August 1, 2022 to January 31, 2023)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2023	3,027	—	495	—	487	—	339	—
January 31, 2022	—	—	—	—	—	—	—	—

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
January 31, 2023	46.47	—
January 31, 2022	—	—

Note: 1. As the Company did not create quarterly financial statements for the six months ended January 31, 2022, figures for that period and year-on-year change figures for the six months ended January 31, 2023 are not indicated.

2. Diluted earnings per share is not disclosed because there is no dilutive shares.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
January 31, 2023	4,674	3,921	83.9
July 31, 2022	2,987	2,314	77.5

Reference: Equity

As of January 31, 2023: 3,921 million yen

As of July 31, 2022: 2,314 million yen

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 July 31, 2022	—	0.00	—	0.00	0.00
Fiscal year ending July 31, 2023	—	0.00			
Fiscal year ending July 31, 2023 (Forecast)			—	—	—

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

3. Earnings forecasts for the fiscal year ending July 31, 2023(from August 1, 2022 to July 31, 2023)

(Percentages represent change compared with the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,801	12.4	866	3.0	870	2.3	601	7.2	82.05
	~6,044	~17.1	~903	~7.3	~906	~6.6	~626	~11.7	~85.49

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

Notes

- (1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: Yes
- (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 January 31, 2023	7,370,400 shares
As of July 31, 2022	6,720,000 shares

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

As of January 31, 2023	46 shares
As of July 31, 2023	320,000 shares

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

Six months ended January 31, 2023	7,298,952 shares
Six months ended January 31, 2022	— shares

* 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
(Cautionary Statement Concerning Forward-Looking Statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to us and on certain assumptions deemed to be reasonable.

Financial Statements

Semi-annual Balance Sheets

(Thousands of yen)

	As of July 31, 2022	As of January 31, 2023
ASSETS		
Current assets		
Cash and deposits	2,385,482	3,879,199
Accounts receivable - trade	157,663	251,126
Merchandise	251,266	353,959
Work in process	16,125	1,331
Other	20,419	24,679
Total current assets	2,830,957	4,510,297
Non-current assets		
Property, plant and equipment	68,395	68,254
Intangible assets	58,618	67,340
Investments and other assets	29,264	28,976
Total non-current assets	156,279	164,570
Total Assets	2,987,236	4,674,868
LIABILITIES		
Current liabilities		
Accounts payable - trade	135,711	245,727
Income taxes payable	157,544	159,782
Provision for bonuses	—	—
Current portion of long-term borrowings	76,633	67,462
Other	199,981	209,327
Total current liabilities	569,870	682,299
Non-current liabilities		
Long-term borrowings	102,787	71,121
Total non-current liabilities	102,787	71,121
Total liabilities	672,657	753,420
NET ASSETS		
Shareholders' equity		
Share capital	8,000	432,841
Capital surplus	136,700	842,889
Retained earnings	2,306,578	2,645,773
Treasury shares	△136,700	△56
Total shareholders' equity	2,314,578	3,921,447
Total net assets	2,314,578	3,921,447
Total liabilities and net assets	2,987,236	4,674,868

Semi-annual Statements of Income

(Thousands of yen)

	Six months ended January 31, 2023
Net sales	3,027,315
Cost of sales	1,753,161
Gross profit	1,274,153
Selling, general and administrative expenses	778,360
Operating profit	495,793
Non-operating income	
Interest income	13
Commission income	7,778
Other	317
Total non-operating income	8,109
Non-operating expenses	
Interest expenses	456
Listing expenses	15,542
Other	19
Total non-operating expenses	16,019
Ordinary profit	487,883
Profit before income taxes	487,883
Income taxes	148,689
Profit	339,194

Semi-annual Statements of Cash Flows

(Thousands of yen)

	Six months ended January 31, 2023
Cash flows from operating activities	
Profit before income taxes	487,883
Depreciation	2,864
Interest income	△13
Commission income	△7,778
Interest expenses	456
Listing expenses	15,542
Decrease (increase) in trade receivables	△93,462
Decrease (increase) in inventories	△87,899
Increase (decrease) in trade payables	110,016
Increase (decrease) in accounts payable-other	28,352
Increase (decrease) in accrued expenses	97
Increase (decrease) in consumption taxes payable	△2,609
Other	△5,679
Sub total	447,769
Interest received	13
Interest paid	△456
Commission income received	6,784
Income taxes paid	△158,990
Cash flows from operating activities	295,120
Cash flows from investing activities	
Purchase of property, plant and equipment	△2,390
Purchase of intangible assets	△6,871
Cash flows from investing activities	△9,262
Cash flows from financing activities	
Repayments of long-term borrowings	△40,837
Proceeds from issuance of shares	849,682
Purchase of treasury shares	△56
Proceeds from disposal of treasury shares	418,048
Payments related to listing	△18,977
Cash flows from financing activities	1,207,858
Net increase (decrease) in cash and cash equivalents	1,493,717
Cash and cash equivalents at beginning of period	2,385,482
Cash and cash equivalents at end of period	3,879,199