

Kakuyasu Group Disclose FY2024 Q1 Financial Results

- Sales growth of +6.2% YoY.
- Operating profit edging down because of headcount increase.
- Annual guidance stay unchanged.

Tokyo, August 14, 2024 – Kakuyasu Group Co.,Ltd. (TSE: 7686) announced FY2024 Q1 financial results, reflecting continuing strong sales while headcount increase letting OP downward temporarily until such headcount generates profit.

FY2024 Q1 Results Highlights

- Consolidated sales of JPY 33.0 billion, up 6.2%.
 - ✓ Quick Delivery of JPY 19.2 billion, up 7.7%.
 - ✓ Route Delivery of JPY 9.4 billion, up 7.5%.
 - ✓ Store Sales of JPY 3.9 billion, up 2.4%.
- Gross profit of JPY 7.6 billion, up 9.6%.
- Operating profit of JPY 0.4 billion, down 19.7%.

Excerpted Consolidated Profit Performance

(JPY in billion)	FY24 Q1	FY23 Q1	Change	
Sales	33.0	31.1	1.9	6.2%
Gross Profit	7.6	6.9	0.6	9.6%
SGA Expenses	7.1	6.3	0.7	12.3%
Operating Profit	0.4	0.6	-0.1	-19.7%
Recurring Profit	0.4	0.5	-0.1	-23.6%
Net Profit attributable to owners of the parent company	0.2	0.3	-0.0	-24.1%
Gross Margin	23.2%	22.4%	-	-
Operating Margin	1.5%	1.9%	-	-

- Merchandize price hike mainly contributed to improving gross margin.

SGA Expenses Breakdown

(JPY in billion)	FY24 Q1	FY23 Q1	Change	
Headcount expenses	4.4	3.7	0.6	17.0%
Advertising and sales promotions	0.1	0.1	0.0	-11.1%
Other SGA expenses	2.6	2.4	0.1	6.9%
SGA expenses in Total	7.1	6.3	0.7	12.3%

- Headcount expenses
 - ✓ Headcount expenses increase mainly attributed to sales expansion together with pay revision introduced in October'23.

Segment Breakdown

(JPY in billion)	FY24 Q1	FY23 Q1	Change	
Sales	33.0	31.1	1.9	6.2%
Quick Delivery	19.2	17.9	1.3	7.5%
Route Delivery	9.4	8.7	0.6	7.5%
Store Sales	3.9	3.8	0.0	2.4%
Others	0.3	0.5	-0.1	-31.5%
Segmental Profit	0.4	0.6	-0.1	-19.7%
Quick Delivery	0.5	0.5	0.0	4.2%
Route Delivery	0.2	0.2	0.0	-9.5%
Store Sales	0.0	0.1	-0.1	-76.4%
Others	0.0	0.0	0.0	-38.8%
Adjustment	-0.4	-0.4	0.0	n.a.

- Quick Delivery
 - ✓ Quick delivery system of liquor and goods by small vehicle or non-vehicle to various places on demand basis, from small warehouses or stores.
 - ✓ Strong sales performance continues.
- Route Delivery
 - ✓ Punctual delivery system of liquor and goods by vehicle to predetermined places on specific date, time, and route, from Kakuyasu distribution centers.
 - ✓ While sales were strong, profit inched down due to sales headcount increase.
- Store Sales
 - ✓ Over-the-counter sales at stores.
 - ✓ Sales edged up but hiring temp staffs and expenses associated with store expansion gave profit downward.
- Adjustment
 - ✓ It mainly includes expenses for large logistics centers.

Excerpted Balance Sheet

(JPY in billion)	End of '24 June	End of '24 March	Change		End of '24 June	End of '24 March	Change
Current Assets	21.6	21.4	0.2	Liabilities	30.0	29.9	0.1
Cash	3.3	3.1	0.2	A/P	16.6	16.0	0.6
A/R	9.9	9.8	0.1	Debt	8.2	8.6	-0.4
Inventory	5.3	5.7	-0.4				
Non-current Assets	12.6	12.5	0.1	Net Assets	4.1	4.1	0.0
Total	34.2	34.0	0.2	Total	34.2	34.0	0.2

FY2024 Full-Year Earnings Guidance

(JPY in billion)	FY24 Q1 Results	FY24 Full-Year Guidance	Progress
Sales	33.0	137.4	24.0%
Operating Profit	0.4	0.4	13.4%
Recurring Profit	0.4	0.4	12.7%
Net Profit attributable to owners of the parent company	0.2	0.2	11.5%

- Whereas Q1 progress was not good enough so far, annual guidance remains unchanged.

Disclaimer

This material contains forward-looking statements about Kakuyasu Group Co.,Ltd. and its consolidated subsidiaries ("Kakuyasu") that speak only as of this date.

Kakuyasu disclaims any obligation to update these statements. Forward-looking statements may include, but are not limited to, statements regarding future financial results, long-term value creation goals, productivity, operating efficiency, liquor or goods prices and so on. Many risks, contingencies and uncertainties could cause actual results to differ materially from Kakuyasu's forward-looking statements.

Additional information concerning these and other factors can be found in Kakuyasu's filings with the Financial Services Agency and the Tokyo Stock Exchange, including the most recent annual report and quarterly reports.