

Contributing to the reduction of food waste

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【5884 KURADASHI Sector : Retail Trade】

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Jun.2021	1,263	123.1	54	-	60	3.3x	34	6.0x	4.0	8.3	0.0
Jun.2022	2,073	64.1	-74	-	-74	-	-80	-	-9.2	-0.9	0.0
Jun.2023 f	3,004	-	-164	-	-170	-	-170	-	-17.8	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending June 2023 are the company's forecasts.
It conducted 1:10,000 stock split on September 29, 2021. Per share indices are adjusted retroactively.

Operating Kuradashi to Help Reduce Food Waste

KURADASHI operates a platform called Kuradashi, which plays a role in reducing food waste. Unlike the primary market, a sales distribution channel for new goods, and the secondary market, for used goods, there is a market between the primary and secondary, known as the in-between market, where goods, despite being new, are discarded in the distribution process. Amidst the growing concerns of food waste as a social problem, KURADASHI provides a system for this in-between market, aiming to reduce food waste.

The company's net sales are divided into three categories: (1) online sales of food waste products, (2) sales of food waste products at permanent stores, and (3) provision of e-commerce marketing services to food manufacturers and related companies. In fiscal year ended June 2022, food waste product sales made up the majority of the company's net sales, with online sales accounting for 89% and sales at permanent stores for 10%.

Kuradashi Implements "Sanpo Yoshi," a Three-Way Satisfaction Approach

Kuradashi is an e-commerce site for food waste products that is equipped with a function to match sellers with buyers.

Food manufacturers and other sellers face difficulties related to food waste, such as having to discard food products before their best-before dates due to business practices and having to produce more than the actual sales forecast in anticipation of such discards.

Food manufacturers can convert the cost of disposal into profit while solving their problems by listing food waste products, such as items to be discarded and unsold stock, on Kuradashi. Furthermore, their efforts toward reducing food waste can enhance their reputation as an environmentally conscious company. In search of these merits, the number of companies listing products for sale on the platform reached an aggregate total of 1,319 as of the end of March 2023.

On the other hand, registered members (buyers) are able to buy food products at a lower price than if they were new and can experience a sense of satisfaction from contributing to society. The aggregate total number of members was 462,879 as of the end of March 2023.

Financial Statements

Statement of income	Fiscal Year	Jun.2021		Jun.2022		Nine months to Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,263	100.0	2,073	100.0	2,224	100.0
Cost of sales		624	49.5	1,060	51.1	1,229	55.3
Gross profit		638	50.5	1,013	48.9	994	44.7
Selling, general and administrative expenses		583	46.2	1,088	52.5	1,128	50.8
Operating profit		54	4.3	-74	-3.6	-134	-6.0
Non-operating income		8	-	3	-	9	-
Non-operating expenses		2	-	3	-	1	-
Ordinary profit		60	4.8	-74	-3.6	-126	-5.7
Profit before income taxes		51	4.1	-85	-4.1	-126	-5.7
Net profit		34	2.7	-80	-3.9	-126	-5.7

Balance sheet	Fiscal Year	Jun.2021		Jun.2022		Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		373	86.7	972	92.4	829	89.5
Cash and deposits		241	56.2	781	74.3	551	59.5
Accounts receivable-trade		13	3.2	90	8.6	62	6.8
Inventories		81	19.0	64	6.1	189	20.4
Non-current assets		57	13.3	80	7.6	97	10.5
Property, plant and equipment		8	2.0	12	1.2	16	1.8
Intangible assets		14	3.3	47	4.5	67	7.3
Investments and other assets		34	8.0	20	2.0	13	1.5
Total assets		430	100.0	1,052	100.0	926	100.0
Current liabilities		257	59.9	353	33.6	367	39.7
Accounts payable - trade		89	20.8	122	11.6	182	19.7
Non-current liabilities		100	23.5	57	5.5	44	4.8
Net assets		71	16.7	641	60.9	514	55.6
Owners' equity		71	16.7	641	60.9	514	55.6

Statement of cash flows	Fiscal Year	Jun.2021	Jun.2022
		(mn yen)	(mn yen)
Cash flows from operating activities		73	-21
Depreciation		4	9
Cash flows from investing activities		-61	-43
Cash flows from financing activities		61	605
Dividends paid		-	-
Net increase in cash and cash equivalents		74	540
Cash and cash equivalents		241	781

Note: Non-consolidated

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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