

Focuses on actually going to client sites to offer joint initiative consulting services

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For inquiries concerning the report, please contact info@stock-r.org

【277A Globe-ing Sector : Services】

Fiscal Year	Net sales	YoY	Operating profit	YoY	Ordinary profit	YoY	Profit	YoY	EPS	BPS	DPS
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(yen)	(yen)	(yen)
May 2023	-	-	-	-	-	-	-	-	-	-	0.0
May 2024	4,175	-	369	-	378	-	260	-	49.9	285.8	0.0
May 2025 f	7,612	82.3	2,184	5.9x	2,187	5.8x	1,401	5.4x	255.6	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending May 2025 is the company's forecasts.

It conducted 1:5 stock split on September 20, 2024. Per share indices are adjusted retroactively.

Primarily Providing Consulting Services

Globe-ing offers joint initiative (JI) consulting services, which entails actually going to client sites and working tirelessly with client companies to achieve results in addition to conventional consulting services. The company's consulting work covers a wide range of services, including business strategy planning, M&A, new business launches, global growth strategy planning and leveraging digital technology for management and business transformation.

In addition to consulting, Globe-ing is also engaged in the cloud product business offering SaaS-type products. However, this business is still in its early stages, having just begun and the company is still recording losses.

JI Consulting

JI consulting entails serving as the leader or a core member of client projects on a variety of themes. It provides human resources and expertise while working in tandem with clients to resolve issues and achieve goals.

The contract comprises a long-term agreement that includes seconding personnel, with a duration of three to five years. Given the extended duration, it is possible to reduce the idle time for consultants that often occurs between the conclusion of one project and the start of the next, a common issue with short-term projects. This approach is also characteristically stable from a revenue perspective.

The proportion of net sales accounted for by JI consulting is increasing, from 29.9% in fiscal year ended May 2024 to 41.8% in the first quarter of fiscal year ending May 2025.

Conventional Consulting

Although the company does not dispatch project managers or other personnel, it serves as a C-suite-class companion, providing support for strategy drafting and execution as well as the utilization of digital transformation (DX) and AI. While the company refers to it as conventional consulting, it offers services from an insider's perspective, making it more akin to JI consulting rather than typical advisory-type consulting.

Financial Statements

Statement of income	Fiscal Year	May 2024		Three months to Aug.2024	
		(mn yen)	(%)	(mn yen)	(%)
Net sales		4,175	100.0	1,720	100.0
Cost of sales		1,527	36.6	504	29.3
Gross profit		2,647	63.4	1,216	70.7
Selling, general and administrative expenses		2,277	54.5	605	35.2
Operating profit		369	8.8	610	35.5
Non-operating income		16	-	8	-
Non-operating expenses		7	-	-	-
Ordinary profit		378	9.1	618	35.9
Profit before income taxes		393	9.4	621	36.1
Profit attributable to owners of parent		260	6.2	399	23.2

Balance sheet	Fiscal Year	May 2024		Aug.2024	
		(mn yen)	(%)	(mn yen)	(%)
Current assets		2,061	79.5	2,802	84.0
Cash and deposits		1,388	53.5	1,905	57.1
Accounts receivable-trade		233	9.0	120	3.6
Contract asset		369	14.2	689	20.7
Inventories		10	0.4	29	0.9
Non-current assets		532	20.5	533	16.0
Property, plant and equipment		99	3.8	105	3.1
Intangible assets		209	8.1	263	7.9
Investments and other assets		223	8.6	164	4.9
Total assets		2,593	100.0	3,336	100.0
Current liabilities		947	36.5	895	26.8
Accounts payable		210	8.1	148	4.4
Accrued expense		256	9.9	309	9.3
Non-current liabilities		93	3.6	101	3.0
Net assets		1,551	59.8	2,338	70.1
Owners' equity		1,490	57.5	2,176	65.2

Statement of cash flows	Fiscal Year	May 2024
		(mn yen)
Cash flows from operating activities		-72
Depreciation		43
Cash flows from investing activities		-221
Cash flows from financing activities		43
Dividends paid		-
Net increase in cash and cash equivalents		-254
Cash and cash equivalents		1,388

Note: Consolidated

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

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