

April 10, 2025

Company name: RAKSUL INC.

Representative: Yo Nagami

Representative Director, President & Group CEO
(TSE Prime Market Code No. 4384)

Contact: Masaru Sugiyama

Group CFO, SVP of Finance & Sustainability

Notice Regarding Publication of Analyst Report by WARC Inc.

RAKSUL INC. (the "Company") hereby announces that an analyst report on the Company by WARC Inc. has been published.

This report has been prepared based on third-party research and analysis by WARC Inc.. The Company has decided to make this report public as the Company believes it will contribute to shareholders' and investors' understanding of the Company's business operations and future growth potential.

Please note that the analyst forecasts regarding company performance contained in this report are figures independently calculated by WARC Inc. based on the Company's public information and macro environment, and are not figures announced by the Company, nor has the Company influenced their content.

For further details, please refer to the attached analyst report.

Supporting numbers are required. Implications from 2Q results for7/25

- ✧ Fundamentals remain strong (200 million yen of upfront investment was recorded in 2Q).
- ✧ Progress was made as expected in the consideration of roll-up M&A and scope-up M&A, both of which are responsible for non-continuous growth, investment execution, and post-investment PMI. In addition, the launch of new internal businesses is also on track.
- ✧ The company is making steady progress in its transformation process to achieve its EBITDA target of over 20 billion yen, aiming to establish a business ecosystem through the creation of an AI native platform and the launch of both finance and software businesses.
- ✧ In 2Q, the company recorded equity in earnings of affiliates and bought back 700 million yen of its own shares by March. The company also raised its dividend forecast from ¥2.3 per share to ¥3.0 per share.
- ✧ The market has not factored in the truthfulness of the “picture cake”. The market has not yet factored in the truthfulness of the “picture cake.” Increasing the credibility of the “picture cake” will directly lead to higher valuations. We would like to see the figures come into clear focus.

On March 13, 2025, Raksul (“the company”) disclosed 2Q results for the FY7/25. EBITDA was 1,387 million yen (+12% YoY). Considering the 200 million yen spent on office relocation, new businesses, and M&A-related expenses, EBITDA was almost the same level as in 1Q, when it was at its highest level ever. The results were favorable, raising the probability of achieving the company's full-year plan (see next page for details).

While roll-up M&A has been attracting increasing attention in the Japanese stock market, the company has long been engaged in a combination of scope-up M&A and roll-up M&A. In addition, the company is advocating all-round expansion M&A by engaging in new businesses that are manufactured in-house. In addition, the company has been advocating all-round expansion M&A by engaging in new businesses that are manufactured in-house. The company is making steady progress in the consideration of deals, investment execution, and post-investment PMI, and being able to quantitatively confirm these changes in the future will be necessary for improving the company's valuation.

As a first step, the company plans to provide a platform based on a common ID for various business domains (transaction, software, and finance). The company also aims to maximize EBITDA by working on AI nativization and the establishment of an ecosystem and is also working on specific initiatives such as functional collaboration with Adobe Express.

The future vision of maximizing EBITDA through the development and enhancement of technology infrastructure and the utilization of data, as well as the execution of aggressive expansion M&A, has been completed. Already, some concrete actions are manifesting themselves. However, the stock market is waiting for a more concrete quantitative evaluation. We believe that the same timing will apply to valuation improvements.

Go Saito (WARC Inc. CFO)
ir@warc.jp

<Stock Price>

Closing Price	09/04/2025	950.000
Moving Average	Last 1M	1,076.409
	Last 3M	1,184.350
	Last 6M	1,207.625
High Price	Last 1Y	1,436.000
Low Price	Last 1Y	838.000
Turnover	09/04/2025	672,000

(Source) SPEEDA

Unit : JPY

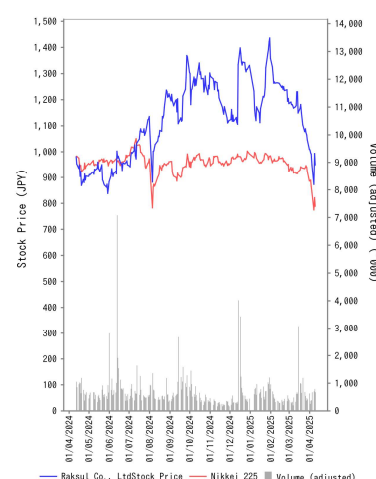
<Valuation>

Market cap	09/04/2025	56,195Million
Enterprise Value	LTM	56,714Million
PER	Latest FY	26.0x
	LTM	25.9x
	Curt. Est.	22.2x
PBR	LTM	3.23x
EV/Sales	Latest FY	1.10x
	LTM	1.00x
	Curt. Est.	0.93x
EV/EBITDA	Latest FY	13.9x
	LTM	11.5x
	Curt. Est.	11.4x
EV/Operating profit	Latest FY	22.4x
	LTM	18.1x
	Curt. Est.	17.7x

(Source) SPEEDA

Unit : JPY

<Stock Charts> 11/04/2024 – 09/04/2025



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Summary of Financial results

<Quarterly>

(Y mil)

	FY7/24				FY7/25	Company plan	Comments
	1Q	2Q	3Q	4Q	1QF	(lower-upper)	
Net sales	11,228	12,762	13,567	13,564	14,709	14,035 ~ 14,596	High progress against full year company plan
Gross profit	3,659	4,252	4,712	4,569	5,062	4,757 ~ 4,940	Organic growth + new consolidation effects. Progress in cost efficiency.
	% of Sales	32.6%	33.3%	34.7%	33.7%	34.4% 33.9%	33.8%
SG&A	3,117	3,503	3,814	4,234	4,089		Invested approx. 200 million yen in office relocation expenses, new businesses, M&A transaction costs, etc.
	% of Sales	27.8%	27.4%	28.1%	31.2%	27.8%	Record-high level on par with 1Q, excluding impact of prior investments
EBITDA	938	1,238	1,378	990	1,531	1,050 ~ 1,250	
	% of Sales	8.4%	9.7%	10.2%	7.3%	10.4%	7.5% 8.6%
Operating profit	541	749	898	334	972		
	% of Sales	4.8%	5.9%	6.6%	2.5%	6.6%	
Ordinary income	429	640	800	172	869		
	% of Sales	3.8%	5.0%	5.9%	1.3%	5.9%	
Net income	1,240	539	325	14	431		Posted extraordinary income of 1,044 million yen due to partial sale of shares in HacoBell (Equity to 24.4%)
	% of Sales	11.0%	4.2%	2.4%	0.1%	2.9%	

<Segment sales and profit>							(Y mil)
	FY7/24				FY7/25	Comments	
	1Q	2Q	3Q	4Q	1QF		
Net sales	11,228	12,762	13,567	13,564	14,709		
%YoY	20.2%	25.5%	27.9%	24.5%	31.0%		
Procurement Platform Business	10,451	11,666	12,416	12,574	13,561	Growth in business for large enterprises; focus on evolution to an AI-Powered Platform, including the start of product collaboration with Adobe.	
%YoY	22.4%	25.2%	25.2%	26.0%	29.8%		
Marketing Platform Business	658	964	1,062	893	1,039	Marketing for SMEs and software business for large enterprises expanded.	
%YoY	2.3%	37.1%	95.9%	16.6%	57.9%		
Others and Corporate	118	131	87	96	108		
%YoY	-50.8%	54.1%	-45.3%	-41.1%	-8.5%		
Segment profit	938	1,238	1,378	990	1,531		
%YoY	24.6%	40.4%	60.4%	52.5%	63.2%		
% of Sales	8.4%	9.7%	10.2%	7.3%	10.4%		
Procurement Platform Business	1,458	1,649	1,831	1,662	2,096		
%YoY	35.9%	40.7%	57.7%	40.8%	43.8%		
% of Sales	14.0%	14.1%	14.7%	13.2%	15.5%		
Marketing Platform Business	-118	0	9	-64	25	Continuous improvement of cost structure in addition to revenue growth.	
%YoY	-	-99.7%	-25.0%	-	-		
% of Sales	-	0.0%	0.8%	-	2.4%		
Others and Corporate	-401	-410	-462	-607	-591		

Source : Company data, WARC

<Details of SG&A>						(Y mil)
	FY7/24				FY7/25	Comments
	1Q	2Q	3Q	4Q	1QF	
SG&A	3,117	3,503	3,814	4,234	4,089	
Tech&Development	<div><div>% of Sales</div><div>27.8%</div></div> <div>564</div>	<div><div>27.4%</div><div>503</div></div>	<div><div>28.1%</div><div>614</div></div>	<div><div>31.2%</div><div>622</div></div>	<div><div>27.8%</div><div>718</div></div>	Investments in new business are in full swing.
Advertising	<div><div>% of Sales</div><div>5.0%</div></div> <div>765</div>	<div><div>3.9%</div><div>938</div></div>	<div><div>4.5%</div><div>1,129</div></div>	<div><div>4.6%</div><div>980</div></div>	<div><div>4.9%</div><div>1,036</div></div>	Continued solid spending while improving efficiency
Others	<div><div>% of Sales</div><div>6.8%</div></div> <div>1,504</div>	<div><div>7.3%</div><div>1,713</div></div>	<div><div>8.3%</div><div>1,751</div></div>	<div><div>7.2%</div><div>2,174</div></div>	<div><div>7.0%</div><div>1,947</div></div>	Higher rent and one-time expenses due to office relocation (Expected to level off in 4Q)
Stock based compensation	<div><div>% of Sales</div><div>13.4%</div></div> <div>122</div>	<div><div>13.4%</div><div>142</div></div>	<div><div>12.9%</div><div>110</div></div>	<div><div>16.0%</div><div>97</div></div>	<div><div>13.2%</div><div>103</div></div>	
Goodwill amortization	<div><div>% of Sales</div><div>13.4%</div></div> <div>161</div>	<div><div>13.4%</div><div>204</div></div>	<div><div>12.9%</div><div>207</div></div>	<div><div>16.0%</div><div>358</div></div>	<div><div>13.2%</div><div>284</div></div>	

Source : Company data, WARC

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Earnings forecast

<Full year>

Profit and loss statement							(Y mil)
	FY07/22	FY07/23	FY07/24	FY07/25	FY07/26	FY07/27	
	Actual	Actual	Actual	Forecast	Forecast	Forecast	
Net sales	33,980	41,018	51,121	63,875	74,725	85,442	Forecast based on organic growth + full-year contribution from new consolidations in FY7/24
%YoY		20.7%	24.6%	24.9%	17.0%	14.3%	
Gross profit	9,803	12,295	17,192	21,682	25,588	29,586	
%YoY		25.4%	39.8%	26.1%	18.0%	15.6%	
% of Sales	28.8%	30.0%	33.6%	33.9%	34.2%	34.6%	
SG&A	9,340	10,529	14,668	17,879	20,020	22,749	Continued upfront investment for long-term growth
%YoY		12.7%	39.3%	21.9%	12.0%	13.6%	
% of Sales	27.5%	25.7%	28.7%	28.0%	26.8%	26.6%	
EBITDA	1,632	3,145	4,547	6,210	7,647	8,807	
%YoY		92.7%	44.6%	36.6%	23.1%	15.2%	
% of Sales	4.8%	7.7%	8.9%	9.7%	10.2%	10.3%	
Operating profit	463	1,763	2,523	3,803	5,568	6,837	
%YoY		280.8%	43.1%	50.7%	46.4%	22.8%	
% of Sales	1.4%	4.3%	4.9%	6.0%	7.5%	8.0%	
Ordinary profit	-167	1,168	2,041	3,324	5,089	6,359	
%YoY		-	74.7%	62.9%	53.1%	25.0%	
% of Sales	-	2.8%	4.0%	5.2%	6.8%	7.4%	
Net income	1,021	1,329	2,118	2,856	3,562	4,451	Extraordinary gains on change in Hacobell's shareholding in FY7/24
%YoY		30.2%	59.4%	34.9%	24.7%	25.0%	
% of Sales	3.0%	3.2%	4.1%	4.5%	4.8%	5.2%	

Source : Company data, WARC

Balance sheet							(Y mil)
	FY07/22	FY07/23	FY07/24	FY07/25	FY07/26	FY07/27	
	Actual	Actual	Actual	Forecast	Forecast	Forecast	
Current assets	19,660	20,589	24,990	20,029	25,198	31,080	
Ready liquidity	13,682	14,644	17,014	10,404	13,941	18,214	
Notes and accounts receivable	4,903	4,718	5,770	7,210	8,434	9,644	
Inventories	209	295	804	664	773	878	
Others	866	932	1,402	1,752	2,049	2,343	
Fixed assets	8,973	12,076	18,881	18,834	18,885	19,021	
Tangible fixed assets	373	294	1,328	1,650	2,015	2,416	
Intangible fixed assets	5,208	4,625	8,324	7,956	7,642	7,377	
Investments and other assets	3,391	7,156	9,228	9,228	9,228	9,228	
Total assets	28,633	32,665	43,871	38,863	44,082	50,101	
Current liabilities	7,774	8,292	17,992	12,313	14,014	15,694	
Notes and account payable	3,234	3,299	3,825	4,779	5,591	6,393	
Short term interest bearing debt	2,495	2,447	9,387	2,300	2,300	2,300	5 billion yen of convertible bond-type bonds with stock acquisition rights transferred to short-term and redeemed on maturity date
Advances received	91	160	591	0	0	0	
Other current liabilities	1,954	2,386	4,189	5,234	6,123	7,001	
Non-current liabilities	11,546	10,463	10,171	8,324	8,548	8,769	
Long term interest bearing debt	11,440	9,464	9,006	7,006	7,006	7,006	
Others	106	999	1,165	1,318	1,542	1,763	
Shareholders' equity	8,360	9,531	11,062	13,704	16,999	21,116	
Net assets	9,312	13,909	15,708	18,225	21,520	25,637	
Total liabilities and net assets	28,633	32,665	43,871	38,863	44,082	50,101	

Cash flow statement							(Y mil)
	FY07/22	FY07/23	FY07/24	FY07/25	FY07/26	FY07/27	
	Actual	Actual	Actual	Forecast	Forecast	Forecast	
Operating CF	837	2,902	2,705	234	4,628	5,548	
Investing CF	-2,808	297	-6,930	-703	-823	-941	
Financing CF	2,206	-2,238	5,671	-5,217	-267	-334	
Effect of exchange rates	0	0	0	0	0	0	
Net cash flow	235	962	1,446	-5,686	3,538	4,273	
Cash & equivalents at end-FY	13,682	14,644	16,090	10,404	13,941	18,214	

Source : Company data, WARC

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Financial Results

			Revenue		EBITDA		OP		RP		NP		EPS
			(Y mil)	(Y/y)	(Y mil)	(Y/y)	(Y mil)	(Y/y)	(Y mil)	(Y/y)	(Y mil)	(Y/y)	(円)
FY07/20	FY		21,495	25.2%	11	-95.9%	-244	-	-368	-	-494	-	-8.7
FY07/21	FY		30,261	40.8%	1,029	9087.5%	221	-	130	-	160	-	2.8
FY07/22	FY		33,980	12.3%	1,632	58.6%	463	109.9%	-167	-	1,021	538.1%	17.7
FY07/23	FY		41,018	20.7%	3,145	92.7%	1,763	280.8%	1,168	-	1,329	30.2%	22.9
FY07/24	FY		51,121	24.6%	4,547	44.6%	2,523	43.1%	2,041	74.7%	2,118	59.4%	36.3
FY07/25	1Q	WARC F	14,709	31.0%	1,531	63.2%	972	79.7%	869	102.6%	431	-65.2%	-
	2Q	WARC F	15,043	17.9%	1,387	12.0%	927	23.8%	841	31.4%	1,354	151.2%	-
	1H	WARC F	29,753	24.0%	2,917	34.0%	1,900	47.2%	1,710	60.0%	1,785	0.3%	-
	3Q	WARC F	17,010	25.4%	1,843	33.8%	991	10.3%	908	13.4%	454	39.6%	-
	4Q	WARC F	17,112	26.2%	1,450	46.4%	914	173.8%	774	350.2%	387	2665.7%	-
	2H	WARC F	34,122	25.8%	3,293	38.9%	1,905	54.6%	1,489	82.5%	744	82.5%	-
FY07/25	FY	WARC F	63,875	24.9%	6,210	36.6%	3,803	50.7%	3,324	62.9%	2,856	34.9%	49.1
FY07/25	FY	CP : Lower	61,000	0.0%	5,500	0.0%	3,200	0.0%	2,700	0.0%	2,480	0.0%	68.3
	FY	CP : Upper	63,000	0.0%	6,000	0.0%	3,700	0.0%	3,200	0.0%	2,780	0.0%	73.5
FY07/26	FY	WARC F	74,725	17.0%	7,647	23.1%	5,568	46.4%	5,089	53.1%	3,562	24.7%	61.2
FY07/27	FY	WARC F	85,442	14.3%	8,807	15.2%	6,837	22.8%	6,359	25.0%	4,451	25.0%	76.5

*1 for 2 stock split as of February 1, 2023. EPS is retroactive.
(Source) Company data, WARC

Source: Company data, WARC

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Company Profile

Company Information

Company	Raksul Co., Ltd
Ticker	4384
Description	Raksul Inc provides printing services in Japan.
Industry	Printing - Commercial/Publication
Representative	Yasukane Matsumoto (Chairman),Yo Nagami (Chief Executive Officer,President)
Address	1-3-1, Azabu-dai Hills Mori JP Tower 19F, Azabu-dai, Minato-ku, Tokyo
Phone	-
Website	https://corp.raksul.com/
Founded	01/09/2009
IPO Date	31/05/2018
Main Stock Exchange	TSE Prime
Capital Stock	2,883 JPY Million (FY2025/01)
Headcount	626 (FY2024/07 Consolidated)

(Source) SPEEDA

Financial Summary

(Unit: JPY Million)		FY2019/07	FY2020/07	FY2021/07	FY2022/07	FY2023/07	FY2024/07	FY2025/07
		Non-con Actual	Non-con Actual	Non-con Actual	Con Actual	Con Actual	Con Actual	Con Company Estimates
I/S	Total Revenue	17,169	21,495	30,261	33,980	41,018	51,121	61,000
	EBITDA	275	-73	418	936	2,491	4,072	4,749
	EBITDA Margin	1.6%	-0.3%	1.4%	2.8%	6.1%	8.0%	7.8%
	Operating Profit	144	-244	221	462	1,765	2,523	3,200
	Operating Margin	0.8%	-1.1%	0.7%	1.4%	4.3%	4.9%	5.2%
	Ordinary Profit	130	-368	130	-167	1,168	2,041	2,700
	Ordinary Margin	0.8%	-1.7%	0.4%	-0.5%	2.8%	4.0%	4.4%
	Net Profit Attribute to parent company	70	-494	160	1,021	1,329	2,118	2,480
	Net Margin	0.4%	-2.3%	0.5%	3.0%	3.2%	4.1%	4.1%
BS	Total Assets	9,246	19,380	21,916	28,633	32,665	43,863	-
	Shldr' Eq.	6,810	6,802	7,997	9,312	13,909	15,678	-
	Shldr' Eq. Ratio	73.65%	35.10%	36.49%	32.52%	42.58%	35.74%	-
	Debt(I&D)	313	10,083	10,033	13,935	11,911	18,393	-
	D/E Ratio	0.05x	1.48x	1.25x	1.50x	0.86x	1.17x	-
	ROE	1.04%	-7.26%	2.16%	-	11.45%	14.32%	-
	ROA	0.78%	-3.45%	0.77%	-	4.34%	5.54%	-
C/F	Operating CF	12	-126	1,539	837	2,902	2,705	-
	Investing CF	-266	-284	-3,618	-2,808	297	-6,930	-
	Financing CF	-207	9,956	75	2,206	-2,238	5,671	-

(Source) SPEEDA

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