

Translation

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Financial Results for the Second Quarter (Interim Period) of the Fiscal Year ending August 31, 2025 [IFRS] (Consolidated)

April 14, 2025

Listed Company Name Last One Mile Co., Ltd. Listed exchange Tokyo

Code No. 9252 URL <http://lomgrp.co.jp/>

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Director, Executive

Contact Person (Title) Officer, General (Name) Kohei Ichikawa (TEL) 050-1781-0250
Manager of Finance & Accounting Dept.

Scheduled date of submission of semiannual report April 14, 2025 Scheduled commencement date of dividend payment May 30, 2025

Preparation of supplementary materials for: Yes financial results

Financial Results Briefing Session : Yes (For institutional and individual investors)

(Rounded to the nearest million yen)

1. Consolidated Financial Results for the Second Quarter of the Fiscal Year ending August 31, 2025 (September 1, 2024 - February 28, 2025)

(1) Consolidated Operating Results (Cumulative) (Percentages represent changes from the same period of the previous year.)

	Sales revenue		Operating profit		Profit before tax		Interim profit		Interim profit attributable to owners of the parent company		Total interim comprehensive profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim period of Fiscal Year ending August 31, 2025	7,412	41.6	705	155.3	701	160.6	434	141.2	434	141.2	463	157.5
Interim period of Fiscal Year ending August 31, 2024	5,236	8.4	276	91.2	269	91.0	180	△7.9	180	△7.3	180	△7.9
	Basic interim profit per share		Diluted interim profit per share									
	Yen Sen		Yen Sen									
Interim period of Fiscal Year ending August 31, 2025	136.08		130.30									
Interim period of Fiscal Year ending August 31, 2024	66.43		61.30									

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company
	Millions of yen	Millions of yen	Millions of yen	%
Interim period of Fiscal Year ending August 31, 2025	10,466	4,161	4,161	39.8
Fiscal Year ending August 31, 2024	9,781	3,350	3,350	34.3

2. Dividends

	Annual dividend				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of term	Total amount
Fiscal Year ending August 31, 2024	Yen Sen -	Yen Sen 0.00	Yen Sen -	Yen Sen 0.00	Yen Sen 0.00
Fiscal Year ending August 31, 2025	-	10.00			
Fiscal Year ending August 31, 2025 (forecast)			-	10.00	20.00

(Note) Revision of dividend forecast from the most recently announced dividend forecast : Nil

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending August 31, 2025 (September 1, 2024 - August 31, 2025)

(Percentages represent changes from the previous year.)

	Sales revenue		Operating profit		Profit before tax		Net profit		Net profit attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Full term	14,000	18.9	1,100	16.9	1,100	21.9	723	△12.4	723	△12.4	Yen Sen 245.40

(Note) Revisions to the most recently announced earnings forecasts : Nil

Notes

(1) Significant changes in scope of consolidation during the period : Yes

New 1company (Company name)SHC Co., Ltd., Exclusion -company (Company name) -

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required by IFRS : Nil

(ii) Changes in accounting policies other than (1) above : Nil

(iii) Changes in accounting estimates : Nil

(3) Number of shares issued and outstanding (common stock)

(i) Number of shares issued and outstanding at the end of the period (including treasury stock)	Interim period of Fiscal Year ending August 2025	3,298,070shares	Fiscal Year ending August 31, 2024	3,175,290shares
(ii) Number of treasury stock at the end of the period	Interim period of Fiscal Year ending August 2025	82,393shares	Fiscal Year ending August 31, 2024	94,044shares
(iii) Average number of shares outstanding during the period (interim period)	Interim period of Fiscal Year ending August 2025	3,189,611shares	Interim period of Fiscal Year ending August 2024	2,708,793shares

* The financial statements for the second quarter (interim period) are not subject to review by a Certified Public Accountant or Audit Firm.

* Explanation of appropriate use of earnings forecasts and other special notes

(Cautionary Note Regarding Forward-Looking Statements, etc.)

The statements regarding earnings forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and the Company makes no guarantee that they will be achieved. Forward-looking statements are included in the attached materials (see page 3, "1 Qualitative Information on Financial Results for the Quarter (3) Explanation of consolidated earnings forecasts and other forward-looking information.")

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Qualitative Information on Financial Results for the Quarter

(1) Explanation of Operating Results

Forward-looking statements in the text are based on the Company Group's judgment as of the end of the Current interim consolidated accounting period.

(1) Financial position and operating results

(i) Operating Results

During the Current interim consolidated accounting period (September 1, 2024, to February 28, 2025), the Japanese economy showed signs of recovery as incomes picked up and corporate earnings improved, but the economy as a whole remained cautious about its footing. Meanwhile, the outlook remains uncertain due to tighter tariff measures mainly in the U.S., a slowdown in the Chinese economy, and heightened geopolitical risks in the Middle East and elsewhere.

The Company Group has been working to strengthen its existing businesses and establish a new foundation for growth under the sales policy of building a new market (blue ocean) and exclusively selling all kinds of products by considering sales methods that do not yet exist in the world, regardless of industry or business category.

Under these circumstances, the current interim consolidated accounting period resulted in sales revenue of 7,411,786 thousand yen (up 41.6% from the same period of the previous year), operating profit of 704,846 thousand yen (up 155.3% from the same period of the previous year), interim profit before income taxes of 700,822 thousand yen (up 160.6% from the same period of the previous year), and interim profit attributable to owners of the parent company was 434,054 thousand yen (up 141.2% from the same period of the previous year).

(2) Explanation of Financial Condition

(i) Assets, Liabilities and Shareholders' Equity

(Assets)

Total assets at the end of the current interim consolidated accounting period amounted to 10,466,308 thousand yen, an increase of 685,357 thousand yen from the end of the previous fiscal year. The main factors were a 396,206 thousand yen increase in trade and other receivables, a 177,382 thousand yen increase in assets held for sale, a 164,942 thousand yen increase in other current assets, a 160,865 thousand yen increase in goodwill, and a 73,001 thousand yen increase in investment real estate, while cash and cash equivalents decreased by 378,296 thousand yen.

(Liabilities)

Total liabilities at the end of the current interim consolidated accounting period amounted to 6,305,659 thousand yen, a decrease of 125,155 thousand yen from the end of previous fiscal year. The main factors were a decrease of 253,855 thousand yen in trade and other payables and a decrease of 81,173 thousand yen in bonds payable and loans payable (current liabilities), while accrued income taxes increased 127,752 thousand yen and liabilities directly related to assets held for sale increased 111,462 thousand yen.

(Shareholders' equity)

Total shareholders' equity at the end of the current interim consolidated accounting period amounted to 4,160,649 thousand yen, an increase of 810,512 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 434,049 thousand yen in retained earnings, an increase of 241,778 thousand yen in capital surplus, and an increase of 81,241 thousand yen in capital stock, mainly due to the posting of interim profit attributable to owners of the parent company.

(ii) Cash Flows

Cash and cash equivalents (hereinafter referred to as "Net cash") in the current interim consolidated accounting period decreased by 378,296 thousand yen from the end of the previous consolidated fiscal year to 2,146,039 thousand yen. The status of each cash flow and their factors during the current interim consolidated accounting period are as follows.

(Net cash from operating activities)

Net cash provided by operating activities amounted to 101,547 thousand yen (69,254 thousand yen in the same period of the

previous fiscal year) in the current interim consolidated accounting period, mainly due to a 700,822 thousand yen in interim profit before taxes, a 428,776 thousand yen increase in trade and other receivables, a 365,371 thousand yen decrease in trade and other payables, and a 184,668 thousand yen in depreciation and amortization.

(Net cash from investing activities)

Net cash provided by investing activities amounted to 146,382 thousand yen in the current interim consolidated accounting period (net cash used in the same period of the previous fiscal year was 515,629 thousand yen), mainly due to 128,898 thousand yen in proceeds from purchase of investments in subsidiaries, 86,000 thousand yen in expenditures for long-term loans receivable, 70,473 thousand yen in proceeds from sales of investment securities, and 50,906 thousand yen in proceeds from collection of long-term loans receivable.

(Net cash from financing activities)

Net cash used in financing activities amounted to 574,504 thousand yen in the current interim consolidated accounting period (net cash provided by financing activities amounted to 638,665 thousand yen in the same period of the previous fiscal year), mainly due to 448,879 thousand yen in repayment of long-term loans payable, 96,255 thousand yen in repayment of lease liabilities, 84,027 thousand yen in purchase of treasury stock, and 50,000 thousand yen in proceeds from long-term loans payable.

(3) Explanation of consolidated earnings forecasts and other forward-looking information

No changes have been made to the consolidated earnings forecast for the full year announced in the "Summary of Financial Results for the Fiscal Year Ended August 31, 2024" on October 18, 2024. In the event of any changes, we will promptly disclose them.

(4) Basic Policy Regarding Distribution of Profits and Dividends for the Current Fiscal Year

The Company believes that the greatest return of profits to shareholders will be achieved by prioritizing investments to strengthen its financial position and expand its business, with the aim of further increasing its corporate value. At the same time, we recognize that returning profits to shareholders is an important management issue, and after careful internal discussions, we have decided to implement the plan as announced on November 28, 2024, and the total annual dividend for the current fiscal year will remain unchanged from the previously announced 20 yen per share (10 yen for the interim dividend and 10 yen for the year-end dividend).

Condensed Interim Consolidated Financial Statements and Major Notes

(1) Condensed Interim Consolidated Statements of Financial Position

(Unit: thousand yen)

	Previous consolidated fiscal year (August 31, 2024)	Current interim consolidated accounting period (February 28, 2025)
Assets		
Current assets		
Cash and cash equivalents	2,524,334	2,146,039
Trade and other receivables	1,951,293	2,347,499
Inventories	36,919	54,190
Other financial assets	193,506	205,405
Income taxes receivable	35,026	8
Other current assets	101,540	266,482
Subtotal	4,842,620	5,019,622
Assets held for sale	-	177,382
Total current assets	4,842,620	5,197,004
Non-current assets		
Property, plant and equipment	198,730	265,744
Right-of-use asset	1,441,603	1,378,454
Goodwill	1,886,544	2,047,409
Intangible assets	739,228	799,155
Investment property	63,136	136,138
Other financial assets	453,962	524,343
Deferred tax asset	138,371	104,626
Other non-current assets	16,757	13,435
Total non-current assets	4,938,331	5,269,304
Total assets	9,780,951	10,466,308

	(Unit: thousand yen)	
	Previous consolidated fiscal year (August 31, 2024)	Current interim consolidated accounting period (February 28, 2025)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	1,615,334	1,361,479
Bonds and borrowings	994,028	912,855
Lease liabilities	178,470	175,812
Income taxes payable	73,165	200,918
Refund Liabilities	209,437	204,088
Provision	-	19,000
Other current liabilities	516,660	441,165
Subtotal	3,587,094	3,315,317
Liabilities directly related to assets held for sale	-	111,462
Total current liabilities	3,587,094	3,426,779
Non-Current Liabilities		
Bonds and borrowings	1,409,958	1,419,559
Lease liabilities	1,268,578	1,210,694
Provision	41,622	55,803
Deferred tax liabilities	108,361	177,534
Other non-current liabilities	15,202	15,290
Total non-current liabilities	2,843,720	2,878,880
Total liabilities	6,430,814	6,305,659
Equity		
Capital stock	415,982	497,224
Capital surplus	1,447,021	1,688,798
Retained earnings	1,673,326	2,107,375
Treasury stock	△248,997	△227,104
Other components of equity	62,803	94,355
Total Equity attributable to owners of the parent company	3,350,136	4,160,648
Noncontrolling interest	1	1
Total equity	3,350,137	4,160,649
Total liabilities and equity	9,780,951	10,466,308

(2) Condensed Interim Consolidated Statements of Income and Interim Consolidated Statements of Comprehensive Income

Condensed interim consolidated statement of income

Interim Consolidated Accounting Period

(Unit: thousand yen)

	Previous interim consolidated accounting period (from September 1, 2023, to February 29, 2024)	Current interim consolidated accounting period (from September 1, 2024, to February 28, 2025)
Sales revenue	5,235,750	7,411,786
Cost of sales	1,945,951	2,274,122
Gross profit	3,289,799	5,137,664
Selling, general and administrative expenses	3,032,535	4,479,378
Other income	18,795	50,096
Other expenses	-	3,536
Operating profit	276,058	704,846
Financial revenue	3,497	20,848
Finance cost	10,630	24,872
Interim profit before tax	268,926	700,822
Income tax expense	88,975	266,769
Interim profit	179,951	434,054
Attribution of interim profit		
Owners of parent company	179,951	434,054
Noncontrolling interest	-	△1
Interim profit	179,951	434,054
Interim profit per share		
Basic interim profit per share (yen)	66.43	136.08
Diluted interim profit per share (yen)	61.30	130.30

Condensed Interim Consolidated Statements of Comprehensive Income
Interim Consolidated Accounting Period

(Unit: thousand yen)

	Previous interim consolidated accounting period (From September 1, 2023, to February 29, 2024)	Current interim consolidated accounting period (From September 1, 2024, to February 28, 2025)
Interim profit	179,951	434,054
Other comprehensive income		
Items not reclassified to net income or loss		
Remeasurement of defined benefit plans	-	△6
Equity financial assets at fair value through other comprehensive income	-	29,273
Total other comprehensive income	-	29,267
Interim comprehensive income	179,951	463,321
Attribution of interim comprehensive income		
Owners of parent company	179,951	463,321
Noncontrolling interest	-	△1
Interim comprehensive income	179,951	463,321

(3) Condensed Interim Consolidated Statement of Changes in Equity

Previous Interim Consolidated Accounting Period (September 1, 2023, to February 29, 2024)

(Unit: thousand yen)

	Equity attributable to owners of the parent company						Noncontrolling interest	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other component s of equity	Total amount		
Balance at September 1, 2023	354,016	320,999	848,017	△91,349	18,268	1,449,951	1	1,449,952
Interim profit	-	-	179,951	-	-	179,951	-	179,951
Interim comprehensive income	-	-	179,951	-	-	179,951	-	179,951
Issuance of new shares	33,097	33,097	-	-	-	66,195	-	66,195
Acquisition of treasury stock	-	-	-	△373,092	-	△373,092	-	△373,092
Stock compensation transactions	-	-	-	-	2,737	2,737	-	2,737
Total amount of transactions with owners, etc.	33,097	33,097	-	△373,092	2,737	△304,160	-	△304,160
Balance at February 29, 2024	387,113	354,097	1,027,968	△464,441	21,005	1,325,742	1	1,325,744

Current interim consolidated accounting period (September 1, 2024, to February 28, 2025)

(Unit: thousand yen)

	Equity attributable to owners of the parent company						Noncontrolling interest	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other component s of equity	Total amount		
Balance at September 1, 2024	415,982	1,447,021	1,673,326	△248,997	62,803	3,350,136	1	3,350,137
Interim profit	-	-	434,054	-	-	434,054	△1	434,054
Other comprehensive income	-	-	-	-	29,267	29,267	-	29,267
Interim comprehensive income	-	-	434,054	-	29,267	463,321	△1	463,321
Issuance of new shares	81,241	81,241	-	-	-	162,483	-	162,483
Acquisition of treasury stock	-	-	-	△84,027	-	△84,027	-	△84,027
Stock compensation transactions	-	-	-	-	2,737	2,737	-	2,737
Increase/decrease in stock acquisition rights	-	458	-	-	△458	1	-	1
Transfer to retained earnings	-	-	△6	-	6	-	-	-
Change due to share exchange	-	160,078	-	105,920	-	265,998	-	265,998
Total amount of transactions with owners, etc.	81,241	241,778	△6	21,893	2,285	347,191	-	347,191
Balance at February 28, 2025	497,224	1,688,798	2,107,375	△227,104	94,355	4,160,648	1	4,160,649

(4) Condensed Interim Consolidated Statements of Cash Flows

(Unit: thousand yen)

	Previous interim consolidated accounting period (From September 1, 2023, to February 29, 2024)	Current interim consolidated accounting period (From September 1, 2024, to February 28, 2025)
Cash flows from operating activities		
Interim profit before tax	268,926	700,822
Depreciation and amortization	82,131	184,668
Financial revenue	△3,497	△20,848
Finance cost	10,630	24,872
(△Increase) decrease in inventories	△11,831	△12,603
Decrease (△increase) in trade and other receivables	△356,526	△428,776
Increase (△decrease) in trade and other payables	304,030	△365,371
Increase (△decrease) in provisions	-	19,810
Other Increase/Decrease	△196,185	61,194
subtotal	97,677	163,768
Interest and dividends received	813	2,449
Interest payments	△10,033	△26,582
Income taxes paid	△27,098	△73,306
Corporate income tax refund	7,896	35,217
Cash flows from operating activities	69,254	101,547
Cash flows from investing activities		
Proceeds from sales of property, plant and equipment	-	34
Payments for purchase of property, plant and equipment	△2,892	△41,792
Payments for acquisition of intangible assets	-	△2,450
Net decrease (△ increase) in short-term loans receivable	15,000	32,536
Proceeds from collection of long-term loans receivable	29,714	50,906
Payments for long-term loans receivable	△178,600	△86,000
Proceeds from collection of lease and guarantee deposits	119	152
Payment for lease and guarantee deposits	△788	△6,276
Proceeds from acquisition of shares of subsidiaries	-	128,898
Purchase of investments in subsidiaries	△417,620	-
Proceeds from sales of investment securities	31,416	70,473
Payments for purchases of investment securities	-	△100
Proceeds from withdrawal of insurance reserve	8,000	-
Other	23	-
Cash flows from investing activities	△515,629	146,382
Cash flows from financing activities		
Net increase (△ decrease) in short-term loans payable	370,000	-
Proceeds from long-term debt	930,000	50,000
Repayment of long-term debt	△246,354	△448,879
Repayment of lease liabilities	△51,100	△96,255
Proceeds from issuance of stock	17,211	15,657
Purchase of treasury stock	△373,092	△84,027
Payments for redemption of bonds	△8,000	△11,000
Cash flows from financing activities	638,665	△574,504
Net increase (△decrease) in cash and cash equivalents	192,291	△326,575
Cash and cash equivalents at beginning of year	1,264,656	2,524,334
Net increase (△decrease) in cash and cash equivalents included in assets held for sale	-	△51,721
Cash and cash equivalents at end of interim period	1,456,946	2,146,039

(5) Notes to Condensed Interim Consolidated Financial Statements

(Notes on premise of a going concern)

Not applicable.

(Notes in the event of significant changes in shareholders' equity)

At the current interim consolidated accounting period, a share exchange was conducted with the Company as the wholly owning parent company in share exchange and SHC Co., Ltd. as the wholly owned subsidiary in share exchange. As a result, capital surplus increased by 160,078 thousand yen and treasury stock decreased by 105,920 thousand yen.

(Notes to Segment Information)

The Company's group is comprised of a single segment, the last mile business, so this information is omitted.