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## Consolidated Financial Results for the Fiscal Year Ended October 31, 2024 (IFRS)

December 13, 2024

Company name: Nareru Group Inc.  
 Listing: Tokyo Stock Exchange  
 Securities code: 9163  
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 Representative: Ryo Kobayashi, Representative Director  
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 Scheduled date of annual general meeting of shareholders: January 30, 2025  
 Scheduled date to commence dividend payments: January 16, 2025  
 Scheduled date to file annual securities report: January 30, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
October 31, 2024	21,608	20.1	3,110	26.0	3,059	23.6	2,187	25.6
October 31, 2023	17,994	23.8	2,469	21.1	2,475	33.7	1,741	40.1

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
October 31, 2024	2,187	25.6	2,169	24.0	255.16	250.54
October 31, 2023	1,741	40.1	1,748	42.7	209.88	203.61

	Ratio of profit to equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	%	%	%
October 31, 2024	17.1	13.3	14.4
October 31, 2023	15.8	11.6	13.7

(Reference) Equity in net income of affiliates: Fiscal year ended October 31, 2024: (- million yen); Fiscal year ended October 31, 2023: (- million yen)

Note: Our company was listed on the Growth Market of the Tokyo Stock Exchange on July 21, 2023. Therefore, the diluted earnings per share for the fiscal year ended October 31, 2023 is calculated using the average stock price from the listing date to October 31, 2023.

## (2) Consolidated financial position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
October 31, 2024	23,617	13,440	13,440	56.9	1,541.06
October 31, 2023	22,505	12,177	12,177	54.1	1,445.17

## (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
October 31, 2024	2,310	(6)	(1,870)	4,516
October 31, 2023	2,314	22	(536)	4,083

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended October 31, 2023	—	0.00	—	95.00	95.00	800	45.3	7.2
Fiscal year ended October 31, 2024	—	50.00	—	60.00	110.00	952	43.1	7.4
Fiscal year ending October 31, 2025 (Forecast)	—	55.00	—	60.00	115.00		43.0	

## 3. Forecast of consolidated financial results for the fiscal year ending October 31, 2025 (November 1, 2024 to October 31, 2025)

(Percentages indicate year-on-year changes.)

	Revenue		Gross profit		Operating profit		Profit before tax	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ending April 30, 2025	11,980	17.4	2,990	10.2	1,230	(7.8)	1,200	(8.4)
Full year	25,650	18.7	6,860	15.5	3,310	6.4	3,220	5.2

	Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Yen
Six months ending April 30, 2025	870	(5.8)	99.75
Full year	2,330	6.5	267.15

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: None

Excluded: None

(2) Changes in accounting policies and changes in accounting estimates

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

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(Note) For more information, please refer to “3. Consolidated Financial Statements and Notes (5) Notes to Consolidated Financial Results (Changes in Accounting Policies)” on page 12.

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of October 31, 2024	8,721,665 shares
As of October 31, 2023	8,426,130 shares

(ii) Number of treasury shares at the end of the period

As of October 31, 2024	— shares
As of October 31, 2023	— shares

(iii) Average number of shares outstanding during the period

Fiscal year ended July 31, 2024	8,574,574 shares
Fiscal year ended July 31, 2023	8,296,885 shares

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

(Notes on forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable. The forward-looking statements do not guarantee future performance. Actual results may differ materially from those expressed or implied by these forward-looking statements due to a variety of factors. For the assumptions for the forecasts and notes on the use of the forecasts, please refer to “1. Overview of Operating Results and Others (4) Business Performance Forecasts” on page 4 of the Appendix.

## Contents of Appendix

1. Overview of Operating Results, etc. ....	2
(1) Overview of Operating Results for the Fiscal Year under Review ....	2
(2) Overview of Financial Position for the Fiscal Year under Review ....	3
(3) Overview of Cash Flows for the Fiscal Year under Review ....	3
(4) Business Performance Forecasts ....	4
2. Basic Approach to the Selection of Accounting Standards ....	4
3. Consolidated Financial Statements and Notes ....	5
(1) Consolidated Statement of Financial Position ....	5
(2) Consolidated Statements of Profit or Loss and Comprehensive Income ....	7
Consolidated Statement of Profit or Loss ....	7
Consolidated Statement of Comprehensive Income ....	8
(3) Consolidated Statement of Changes in Equity ....	9
(4) Consolidated Statement of Cash Flows ....	11
(5) Notes to Consolidated Financial Results ....	12
(Note on Assumption about Going Concern) ....	12
(Changes in Accounting Policies) ....	12
(Segment Information) ....	12
(Per Share Information) ....	15
(Important Subsequent Events) ....	15

# 1. Overview of Operating Results, etc.

## (1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended October 31, 2024 (November 1, 2023 - October 31, 2024), the Japanese economy continued to recover moderately, supported by factors including improvements in the employment and income environment, despite a pause in some areas due to price hikes with weak yen. In the construction industry, where the Group dispatches engineers, demand was firm as public investment remained firm and private-sector capital investment showed signs of recovery.

On the other hand, the job openings-to-applicants ratio for construction workers (including miners) as of September 2024 was 5.20 (announced by the Ministry of Health, Labor and Welfare on October 29, 2024), and the employment environment is becoming increasingly severe. In addition, the upper limit on overtime work in the construction industry was applied in April 2024, and the problem of labor shortage in the industry is becoming more serious. As a result, the need for engineer dispatching is expected to further increase in the future.

Under this environment, World Corporation, the core operating company of the Group, promoted initiatives to “strengthen engineer recruitment,” “strengthen sales structure,” and “support engineer career design” in order to respond to strong demand from client companies.

### ■ Strengthening the hiring of engineers

In order to respond to demand for engineers from customers, the Company actively invested in hiring expenses and worked on improving the hiring process. As a result, the number of new graduates and those without mid-career experience hired increased. While continuing to improve the hiring process, the Group will strive to secure engineers and improve hiring efficiency by strengthening hiring activities through direct recruiting and in-house recruitment media.

### ■ Strengthening the sales structure

While working to improve contract unit prices for engineers, the Group promoted aggressive sales activities to new and dormant customers in addition to existing customers and advanced the receipt of orders. On the other hand, the Group was unable to stably secure clients for female engineers and other personnel, and the occupancy rate fell below the target figure. We will continue to promote the utilization of diverse engineers by strengthening sales activities to secure a wide range of dispatch projects.

### ■ Support for engineers’ career design

Aiming to build a system that enables engineers to grow continuously, the Company established the “Zero Pro Growth Cycle” career design support program in May 2024, and as part of the program, the Company revised the qualification allowance (from November 2024) and started new exam preparation courses (from July 2024). We will continue to strengthen our “Zero Pro Growth Cycle” initiatives and support the active participation of engineers by promoting the establishment of an environment where inexperienced engineers can have career consultations and work issues.

In addition to these initiatives, in ATJC where the Group operates IT engineer staffing services, the Group continued to enhance training content and strengthened sales activities to win orders for upstream projects in system development.

As a result, the number of registered and active engineers increased in both the Construction Solutions Business and IT Solutions Business and the average contract unit price for engineers also rose. As a result, the Group’s consolidated operating results for the fiscal year ended October 31, 2024 were as follows: revenue increased by 20.1% to 21,608,643 thousand yen, operating profit increased by 26.0% to 3,110,968 thousand yen due to the significant effect of increased sales, despite an increase in selling, general and administrative expenses due to factors including an increase in personnel expenses caused by an increase in sales and hiring staff, and profit before tax increased by 23.6% to 3,059,596 thousand yen, the profit attributable to owners of the parent increased by 25.6% to 2,187,881 thousand yen, all on a year-on-year basis.

Operating results by segment are as follows.

(Construction Solutions Business)

World Corporation, which dispatches construction engineers, had 3,239 active engineers at the end of the fiscal year under review (up 543 compared to the end of the previous fiscal year), and the average occupancy rate for the fiscal year under review was 94.2% (down 2.0 points compared to the end of the previous fiscal year). The average monthly contract unit price for the fiscal year under review was 510,000 yen (up 23,000 yen compared to the previous fiscal year), due to the success of the engineer’s charge up initiatives.

As a result, revenue in this segment was 19,347,007 thousand yen (up 20.6% year on year) and the segment profit was 2,607,379 thousand yen (up 15.8% year on year).

(IT Solution Business)

In ATJC, where the Group dispatches IT engineers, the number of active engineers at the end of the fiscal year under review was 404 (up 40 compared to the end of the previous fiscal year), and the average occupancy rate for the fiscal year under review was 93.9% (up 1.0 points compared to the end of the previous fiscal year). The average monthly contract unit price for the fiscal year under review was 514,000 yen (up 15,000 yen from the previous fiscal year).

As a result, revenue in this segment was 2,294,169 thousand yen (up 17.4% year on year) and the segment profit was 147,898 thousand yen (up 30.5% year on year).

## **(2) Overview of Financial Position for the Fiscal Year under Review**

The financial position at the end of the fiscal year under review (October 31, 2024) is as follows.

(Assets)

Total current assets at the end of the fiscal year under review were 7,926,570 thousand yen (up 865,880 thousand yen from the end of the previous fiscal year). This was mainly due to an increase of 437,850 thousand yen in trade receivables and 433,615 thousand yen in cash and cash equivalents. Non-current assets totaled 15,690,901 thousand yen (up 246,524 thousand yen from the end of the previous fiscal year). This was mainly due to an increase of 239,762 thousand yen in right-of-use assets.

As a result, total assets at the end of the fiscal year were 23,617,471 thousand yen (up 1,112,404 thousand yen from the end of the previous fiscal year).

(Liabilities)

Total current liabilities at the end of the fiscal year under review were 6,516,941 thousand yen (up 229,497 thousand yen from the end of the previous fiscal year). This was mainly due to an increase of 216,742 thousand yen in other current liabilities. Non-current liabilities totaled 3,659,880 thousand yen (down 380,527 thousand yen from the end of the previous fiscal year). This was mainly due to a decrease of 714,284 thousand yen in long-term borrowings, while there was an increase of 223,443 in recording of lease liabilities.

As a result, total liabilities at the end of the fiscal year under review were 10,176,821 thousand yen (down 151,030 thousand yen from the end of the previous fiscal year).

(Equity)

Total equity as of the end of the fiscal year under review was 13,440,650 thousand yen (up 1,263,435 thousand yen from the end of the previous fiscal year). This was mainly due to an increase in retained earnings of 1,112,174 thousand yen due to recording of profit attributable to owners of parent, while dividends were paid from surplus.

## **(3) Overview of Cash Flows for the Fiscal Year under Review**

Cash and cash equivalents (hereinafter “net cash”) at the end of the fiscal year under review is 4,516,838 thousand yen (up 433,615 thousand yen from the end of the previous fiscal year).

The status of each cash flow and its factors are as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities was 2,310,147 thousand yen (compared to a cash inflow of 2,314,011 thousand yen in the previous fiscal year). This was mainly due to the recording of profit before tax of 3,059,596 thousand yen, while there were 915,292 thousand yen in income taxes paid.

(Cash Flows from Investing Activities)

Net cash used in investing activities was 6,375 thousand yen (compared to a cash inflow of 22,053 thousand yen in the previous fiscal year). This was mainly due to proceeds from collection of other financial assets of 23,170 thousand yen and collection of loans receivable of 10,202 thousand yen, while there were purchase of other financial assets of 15,188 thousand yen and payments for purchase of property, plant and equipment of 14,075 thousand yen.

#### (Cash Flows from Financing Activities)

Net cash used in financing activities was 1,870,155 thousand yen (compared to a cash outflow of 536,633 thousand yen in the previous fiscal year). This was mainly due to dividends paid of 1,228,863 thousand yen and repayments of long-term borrowings of 714,284 thousand yen.

#### **(4) Business Performance Forecasts**

In the construction industry, to which the Group's major customers belong, demand is expected to remain firm due to an increase in maintenance and repair work associated with the aging for both public engineering and private construction, as well as the ongoing recovery in private-sector capital investment. On the other hand, the labor shortage in the construction industry is becoming more serious, and the need for engineer dispatch is expected to further increase.

The acquisition of engineers is the driving force for the Group's growth, but competition for acquiring engineers is intensifying, and the Group recognizes that "securing a stable supply of engineers who can respond to customer demand" and "improving the turnover rate of engineers" are urgent issues. In addition, the establishment of sales, recruitment and back office systems that support business growth is also an essential initiatives for realizing sustainable growth.

The fiscal year ending October 31, 2025 will be a period to lay the foundation for realizing medium-term growth. We will promote initiatives to support the development of engineers and reduce the turnover rate, and work to improve the efficiency and sophistication of business processes in order to realize sustainable growth. In addition, the Company will formulate a medium-term management plan based on the Group's vision, trends in the external environment, business risks, and other factors.

Based on these initiatives, the Group's consolidated operating results for the fiscal year ending October 31, 2025 will be as follows: revenue increases by 18.7% to 25,650 million yen, operating profit increases by 6.4% to 3,310 million yen, and profit before tax increases by 5.2% to 3,220 million yen, the profit attributable to owners of the parent increases by 6.5% to 2,330 million yen, all on a year-on-year basis.

The Group's consolidated operating results for the first six months of the fiscal year ending October 31, 2025 will be as follows: revenue increases by 17.4% to 11,980 million yen, operating profit decreases by 7.8% to 1,230 million yen, all on a year-on-year basis. For the first six months of the fiscal year, we expect a year-on-year increase in revenues, but we expect a decrease in all profit items from operating profit as we work to increase the number of sales and recruiting staff in order to strengthen our engineer recruitment going forward.

The business forecast figures are determined based on the information available as of that date, and the actual business performance and other results may differ due to a variety of factors. If the necessity of a revision arises, such revision will be disclosed in a timely and appropriate manner.

## **2. Basic Approach to the Selection of Accounting Standards**

The Group has adopted International Financial Reporting Standards since the fiscal year ended October 31, 2022 in order to improve the international comparability and convenience of financial information in capital markets.

### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Statement of Financial Position

(Thousands of Yen)

	As of October 31, 2023	As of October 31, 2024
Assets		
Current assets		
Cash and cash equivalents	4,083,222	4,516,838
Trade receivables	2,766,608	3,204,459
Other financial assets	10,029	53,819
Other current assets	200,829	151,454
Total current assets	7,060,690	7,926,570
Non-current assets		
Property, plant and equipment	170,795	178,592
Right-of-use assets	357,446	597,208
Goodwill	14,074,688	14,074,688
Intangible assets	27,923	20,127
Other financial assets	319,788	310,677
Deferred tax assets	492,491	508,348
Other non-current assets	1,241	1,258
Total non-current assets	15,444,376	15,690,901
Total assets	22,505,067	23,617,471



(Thousands of Yen)

	As of October 31, 2023	As of October 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	29,759	36,842
Borrowings	2,714,284	2,714,284
Lease liabilities	201,788	227,779
Income taxes payable	492,821	455,042
Other financial liabilities	112,671	130,132
Other current liabilities	2,736,118	2,952,860
Total current liabilities	6,287,444	6,516,941
Non-current liabilities		
Long-term borrowings	3,571,432	2,857,148
Lease liabilities	125,343	348,787
Retirement benefit liability	230,796	324,461
Provisions	112,835	129,483
Total non-current liabilities	4,040,407	3,659,880
Total liabilities	10,327,852	10,176,821
Equity		
Share capital	248,368	403,280
Capital surplus	8,397,663	8,550,549
Retained earnings	3,319,560	4,431,735
Other components of equity	211,622	55,084
Total equity attributable to owners of parent	12,177,215	13,440,650
Total equity	12,177,215	13,440,650
Total liabilities and equity	22,505,067	23,617,471

**(2) Consolidated Statements of Profit or Loss and Comprehensive Income****Consolidated Statement of Profit or Loss**

(Thousands of Yen)

	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Revenue	17,994,881	21,608,643
Cost of sales	(12,825,513)	(15,668,025)
Gross profit	5,169,367	5,940,617
Selling, general and administrative expenses	(2,710,325)	(2,845,984)
Other income	26,202	17,099
Other expenses	(16,082)	(763)
Operating profit	2,469,161	3,110,968
Finance income	57,272	910
Finance costs	(50,529)	(52,282)
Profit before tax	2,475,904	3,059,596
Income tax expense	(734,567)	(871,714)
Profit	1,741,337	2,187,881
Profit attributable to		
Owners of parent	1,741,337	2,187,881
Profit	1,741,337	2,187,881
Earnings per share		
Basic earnings per share (Yen)	209.88	255.16
Diluted earnings per share (Yen)	203.61	250.54

# Consolidated Statement of Comprehensive Income

(Thousands of Yen)

	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Profit	1,741,337	2,187,881
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	7,642	(18,880)
Total of items that will not be reclassified to profit or loss	7,642	(18,880)
Other comprehensive income	7,642	(18,880)
Comprehensive income	1,748,979	2,169,000
Comprehensive income attributable to		
Owners of parent	1,748,979	2,169,000
Comprehensive income	1,748,979	2,169,000

**(3) Consolidated Statement of Changes in Equity**  
Fiscal year ended October 31, 2023

(Thousands of Yen)

	Equity attributable to owners of parent						Total	Total equity
	Share capital	Capital surplus	Retained earnings	Other components of equity				
				Share acquisition rights	Remeasurements of defined benefit plans			
Balance on November 1, 2022	50,000	8,202,630	1,556,950	123,670	—	123,670	9,933,252	9,933,252
Profit	—	—	1,741,337	—	—	—	1,741,337	1,741,337
Other comprehensive income	—	—	—	—	7,642	7,642	7,642	7,642
Comprehensive income	—	—	1,741,337	—	7,642	7,642	1,748,979	1,748,979
Issuance of new shares	186,618	183,282	—	—	—	—	369,901	369,901
Issuance of new shares upon exercise of stock options	11,750	11,750	—	—	—	—	23,500	23,500
Share-based payment transactions	—	—	—	101,581	—	101,581	101,581	101,581
Transfer from other components of equity to retained earnings	—	—	21,272	(13,630)	(7,642)	(21,272)	—	—
Total transactions with owners	198,368	195,032	21,272	87,951	(7,642)	80,308	494,983	494,983
Balance on October 31, 2023	248,368	8,397,663	3,319,560	211,622	—	211,622	12,177,215	12,177,215

Fiscal year ended October 31, 2024

(Thousands of Yen)

	Equity attributable to owners of parent							
	Share capital	Capital surplus	Retained earnings	Other components of equity		Total	Total	Total equity
				Share acquisition rights	Remeasurements of defined benefit plans			
Balance on November 1, 2023	248,368	8,397,663	3,319,560	211,622	—	211,622	12,177,215	12,177,215
Profit	—	—	2,187,881	—	—	—	2,187,881	2,187,881
Other comprehensive income	—	—	—	—	(18,880)	(18,880)	(18,880)	(18,880)
Comprehensive income	—	—	2,187,881	—	(18,880)	(18,880)	2,169,000	2,169,000
Issuance of new shares upon exercise of stock options	151,197	151,197	—	(8,935)	—	(8,935)	293,460	293,460
Dividends of surplus	—	—	(1,230,129)	—	—	—	(1,230,129)	(1,230,129)
Share-based payment transactions	3,714	1,688	—	25,700	—	25,700	31,103	31,103
Transfer from other components of equity to retained earnings	—	—	154,422	(173,302)	18,880	(154,422)	—	—
Total transactions with owners	154,911	152,886	(1,075,706)	(156,537)	18,880	(137,656)	(905,565)	(905,565)
Balance on October 31, 2024	403,280	8,550,549	4,431,735	55,084	—	55,084	13,440,650	13,440,650

#### (4) Consolidated Statement of Cash Flows

	(Thousands of Yen)	
	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Cash flows from operating activities		
Profit before tax	2,475,904	3,059,596
Depreciation and amortization	244,626	261,372
Share-based payment expenses	101,581	31,103
Finance income and finance costs	(6,742)	51,372
Gain on sale of property, plant and equipment	(227)	—
Loss on retirement of property, plant and equipment	7,162	—
Decrease (increase) in trade receivables	(468,786)	(437,850)
Increase (decrease) in trade payables	3,822	7,082
Increase (decrease) in accrued expenses	320,987	179,422
Increase (decrease) in accounts payable - bonuses	151,415	(104,378)
Increase (decrease) in retirement benefit liability	73,560	64,799
Other	229,661	163,212
Subtotal	3,132,965	3,275,733
Interest and dividends received	66	399
Interest paid	(48,680)	(50,692)
Income taxes refund (paid)	(770,339)	(915,292)
Net cash provided by (used in) operating activities	2,314,011	2,310,147
Cash flows from investing activities		
Purchase of property, plant and equipment	(44,387)	(14,075)
Proceeds from sale of property, plant and equipment	227	—
Purchase of intangible assets	(12,464)	(3,639)
Payments for loans receivable	(2,557)	(6,845)
Collection of loans receivable	2,792	10,202
Purchase of other financial assets	(65,609)	(15,188)
Collection of other financial assets	145,352	23,170
Other	(1,300)	—
Net cash provided by (used in) investing activities	22,053	(6,375)
Cash flows from financing activities		
Repayments of long-term borrowings	(714,284)	(714,284)
Repayments of lease liabilities	(206,188)	(219,468)
Proceeds from issuance of shares	391,929	293,460
Dividends paid	—	(1,228,863)
Payment of financial commission	(3,520)	(1,000)
Other	(4,569)	—
Net cash provided by (used in) financing activities	(536,633)	(1,870,155)
Net increase (decrease) in cash and cash equivalents	1,799,431	433,615
Cash and cash equivalents at beginning of period	2,283,790	4,083,222
Cash and cash equivalents at end of period	4,083,222	4,516,838

## (5) Notes to Consolidated Financial Results

(Note on Assumption about Going Concern)

Not applicable.

### (Changes in Accounting Policies)

The accounting policies adopted in preparation of the consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the previous fiscal year ended October 31, 2023. The Group adopts the following standards from the fiscal year under review and there is no material impact of adoption of the standards on the consolidated financial statements.

IFRS		Description
IAS 1	Presentation of Financial Statements	Amendments to disclosure of material accounting policy information
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Clarified the distinction between accounting policies and accounting estimates
IAS 12	Income Taxes	Clarified accounting processing for deferred taxes on leases and disposal obligations.

### (Segment Information)

#### (1) Overview of Reportable Segments

The reportable segments of the Group are components of the Group for which separate financial information is available and are regularly reviewed by the Board of Directors to determine the allocation of management resources and to evaluate performance.

In the Group, operating companies by service category develop comprehensive strategies for the services they provide and engage in business activities.

Therefore, the Group is composed of segments classified by service based on the above, and the two reportable segments are “Construction Solution” and “IT Solution” based on the characteristics of services and similarity of sales markets.

The main services and businesses of each reportable segment are as follows.

Reportable Segments	Main Services or Business Details
Construction Solution	Dispatch of construction management engineers, CAD engineers, etc. to construction companies such as general contractors.
IT Solution	Provide services through dispatching engineers and system engineering service contracts for development projects and infrastructure management work for system integrators, etc.

(2) Information of Reportable Segments

The accounting policies on the reportable segments are generally the same as those for the consolidated financial statements. Information by reportable segment of the Group is as follows.

The profit of reportable segments is based on operating profit. Inter-segment transactions are based on prevailing market prices.

Fiscal year ended October 31, 2023 (November 1, 2022 to October 31, 2023)

(Thousands of Yen)

	Reportable segments			Adjustment amount (Note)	Consolidated Statement
	Construction Solution	IT Solution	Total		
Revenue					
Revenue from external customers	16,044,957	1,949,923	17,994,881	—	17,994,881
Intersegment revenue	—	4,200	4,200	(4,200)	—
Total	16,044,957	1,954,123	17,999,081	(4,200)	17,994,881
Segment profit	2,250,835	113,352	2,364,188	104,972	2,469,161
Finance income					57,272
Finance costs					(50,529)
Profit before tax					2,475,904
Segment assets	18,553,191	1,773,743	20,326,935	2,178,131	22,505,067
(Other income and expenses)					
Depreciation and amortization	207,498	23,357	230,856	13,770	244,626
(Other assets)					
Increase in non-current assets (Notes:3)	265,643	5,664	271,307	3,660	274,967

Notes: 1. Adjustments of intersegment revenue and profit / loss of segments are due to elimination of intersegment transactions.

Notes: 2. Adjustments of segment assets are mainly corporate assets that do not belong to reportable segments.

Notes: 3. The increase in non-current assets is the sum of property, plant and equipment, and intangible assets consisting of software and right-of-use assets.



Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)

(Thousands of Yen)

	Reportable segments			Adjustment amount (Note)	Consolidated Statement
	Construction Solution	IT Solution	Total		
Revenue					
Revenue from external customers	19,347,007	2,261,635	21,608,643	—	21,608,643
Intersegment revenue	—	32,533	32,533	(32,533)	—
Total	19,347,007	2,294,169	21,641,176	(32,533)	21,608,643
Segment profit	2,607,379	147,898	2,755,278	355,690	3,110,968
Finance income					910
Finance costs					(52,282)
Profit before tax					3,059,596
Segment assets	19,157,179	1,935,052	21,092,232	2,525,239	23,617,471
(Other income and expenses)					
Depreciation and amortization	222,136	23,371	245,507	15,864	261,372
(Other assets)					
Increase in non-current assets (Notes:3)	453,901	44,432	498,334	2,800	501,134

- Notes: 1. Adjustments of intersegment revenue and profit / loss of segments are due to elimination of intersegment transactions.
- Notes: 2. Adjustments of segment assets are mainly corporate assets that do not belong to reportable segments.
- Notes: 3. The increase in non-current assets is the sum of property, plant and equipment, and intangible assets consisting of software and right-of-use assets.

(Per Share Information)

(1) Basic Earnings per Share

Basic earnings per share and the basis for calculation are as follows:

	(Thousands of Yen)	
	Fiscal year ended October 31, 2023 (November 1, 2022 to October 31, 2023)	Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)
Profit attributable to ordinary shareholders of parent		
Profit attributable to owners of parent	1,741,337	2,187,881
Profit not attributable to ordinary shareholders of parent	—	—
Profit used for calculating basic earnings per share	1,741,337	2,187,881
Average number of common shares outstanding during the period (Share)	8,296,885	8,574,574
Basic earnings per share (Yen)	209.88	255.16

(2) Diluted Earnings per Share

Diluted earnings per share and the basis for calculation are as follows:

	(Thousands of Yen)	
	Fiscal year ended October 31, 2023 (November 1, 2022 to October 31, 2023)	Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)
Profit attributable to ordinary shareholders (diluted)		
Profit used for calculation of basic earnings per share	1,741,337	2,187,881
Adjustments to profit	—	—
Profit used for calculating diluted earnings per share	1,741,337	2,187,881
Average number of common shares outstanding during the period (Share)	8,296,885	8,574,574
Effect of dilutive potential common shares: Share option	255,222	158,222
After adjustment for dilutive effect (Share)	8,552,107	8,732,796
Diluted earnings per share (Yen)	203.61	250.54

Note: Our company was listed on the Growth Market of the Tokyo Stock Exchange on July 21, 2023. Therefore, the diluted earnings per share for the fiscal year ended October 31, 2023 is calculated using the average stock price from the listing date to October 31, 2023.

(Important Subsequent Events)

Not applicable.