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November 13, 2024

Non-consolidated Financial Results for the Fiscal Year Ended September 30, 2024 (Under Japanese GAAP)

Company name: ROXX, Inc.
Listing: Tokyo Stock Exchange
Securities code: 241A
URL: https://roxx.co.jp/en/
Representative: Taro Nakajima, Representative Director and Chief Executive Officer
Inquiries: Hiroki Yamada, Director
Telephone: +81-3-6777-7070
Scheduled date of annual general meeting of shareholders: December 17, 2024
Scheduled date to commence dividend payments: –
Scheduled date to file annual securities report: December 18, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Non-consolidated financial results for the fiscal year ended September 30, 2024 (from October 1, 2023 to September 30, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Profit (loss)	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	3,476	67.5	(470)	–	(497)	–	(499)	–
September 30, 2023	2,075	71.0	(746)	–	(742)	–	(746)	–

	Basic earnings (loss) per share	Diluted earnings (loss) per share	Return on equity	Ratio of ordinary profit (loss) to total assets	Ratio of operating profit (loss) to net sales
Fiscal year ended	Yen	Yen	%	%	%
September 30, 2024	(73.12)		(82.3)	(19.2)	(13.5)
September 30, 2023	(111.81)		(120.9)	(47.2)	(35.9)

Note: Diluted earnings per share for the fiscal year ended September 30, 2023 is not provided. This is because, while there were potential shares, the Company's stock was unlisted, making it impossible to determine the average share price during the period and also because diluted earnings per share was negative. Diluted earnings per share for the fiscal year ended September 30, 2024 is not provided. This is because, while there were potential shares, the Company reported basic loss per share.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2024	3,696	904	24.4	124.12
September 30, 2023	1,484	313	21.0	46.55

Reference: Equity As of September 30, 2024: \902 million
As of September 30, 2023: \311 million

(3) Non-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
September 30, 2024	(606)	(55)	2,467	2,594
September 30, 2023	(488)	(51)	117	781

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended September 30, 2023	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ended September 30, 2024	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ending September 30, 2025 (Forecast)	–	0.00	–	0.00	0.00		–	

3. Forecast of financial results for the fiscal year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Profit (loss)		Basic earnings (loss) per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year	5,235	50.6	(195)	–	(232)	–	(236)	–	(32.46)

*** Notes**

(1) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(2) Number of shares issued (common shares)

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

As of September 30, 2024	7,273,170 shares
As of September 30, 2023	6,697,900 shares

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

As of September 30, 2024	–
As of September 30, 2023	–

(iii) Average number of shares outstanding during the period

Fiscal year ended September 30, 2024	6,837,277 shares
Fiscal year ended September 30, 2023	6,675,524 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecast, contained in this document are based on information available to the company and on certain assumptions deemed reasonable as of today. Accordingly, please be advised that the Company makes no commitment regarding the achievement of these forecasts. The actual results may differ significantly due to various factors.

3. Non-Consolidated Financial Statements and Major Notes

(1) Non-consolidated balance sheet

(Thousands of yen)

	As of September 30, 2023	As of September 30, 2024
Assets		
Current assets:		
Cash and deposits	781,584	2,594,956
Accounts receivable - trade	277,500	520,112
Trade accounts receivable	269,556	328,317
Advance payments to suppliers	1,468	20,642
Prepaid expenses	50,048	93,809
Other	1,044	6,867
Allowance for doubtful accounts	(13,530)	(5,306)
Total current assets	1,367,673	3,559,399
Non-current assets:		
Property, plant and equipment:		
Buildings	9,725	15,679
Tools, furniture and fixtures	59,814	59,855
Accumulated depreciation	(22,957)	(37,041)
Total property, plant and equipment	46,582	38,492
Investments and other assets:		
Investment securities	995	995
Distressed receivables	165	605
Leasehold and guarantee deposits	58,861	93,665
Long-term prepaid expenses	10,505	3,781
Allowance for doubtful accounts	(165)	(605)
Total investments and other assets	70,361	98,442
Total non-current assets	116,943	136,935
Total assets	1,484,617	3,696,334

(Thousands of yen)

	As of September 30, 2023	As of September 30, 2024
Liabilities		
Current liabilities:		
Trade accounts payable	471,175	585,920
Short-term borrowings	50,000	–
Current portion of long-term borrowings	27,626	602,537
Accounts payable - other	288,667	300,970
Income taxes payable	3,407	38,298
Accrued expenses	87,112	91,668
ContractLiabilities	49,219	57,027
AccruedConsumptionTaxes	66,304	108,641
Refund liability	26,230	46,910
Other	18,595	5,453
Total current liabilities	1,088,338	1,837,428
Non-current liabilities:		
Long-term borrowings	83,166	954,847
Total non-current liabilities	83,166	954,847
Total liabilities	1,171,504	2,792,275
Net assets		
Shareholders' equity:		
Share capital	99,000	644,443
Capital surplus:		
Legal capital surplus	2,280,433	2,825,877
Total capital surplus	2,280,433	2,825,877
Retained earnings:		
Other retained earnings:		
Retained earnings brought forward	(2,067,618)	(2,567,560)
Total retained earnings	(2,067,618)	(2,567,560)
Total shareholders' equity	311,815	902,759
Share acquisition rights	1,298	1,298
Total net assets	313,113	904,058
Total liabilities and net assets	1,484,617	3,696,334

(2) Non-consolidated statement of income

(Thousands of yen)

	Fiscal year ended September 30, 2023	Fiscal year ended September 30, 2024
Net sales	2,075,781	3,476,794
Cost of sales	335,101	496,266
Gross profit	1,740,680	2,980,527
Selling, general and administrative expenses	2,486,793	3,450,567
Operating profit (loss)	(746,113)	(470,040)
Non-operating income:		
Point redemption income	5,642	15,516
Other	945	3,169
Total non-operating income	6,587	18,685
Non-operating expenses:		
Interest expenses	1,958	25,642
Share issuance costs	555	8,436
Guarantee commission	671	660
Listing expenses	–	11,557
Other	241	–
Total non-operating expenses	3,426	46,297
Ordinary profit (loss)	(742,951)	(497,651)
Profit (loss) before income taxes	(742,951)	(497,651)
Income taxes - current	3,407	2,290
Total income taxes	3,407	2,290
Profit (loss)	(746,359)	(499,941)

(3) Non-consolidated statement of changes in equity

Fiscal year ended September 30, 2023

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	99,000	2,213,029	–	2,213,029
Changes during period				
Issuance of new shares	67,404	67,404	–	67,404
Profit (loss)				
Compensation for deficit	–	–	(67,404)	(67,404)
Capital reduction	(67,404)	–	67,404	67,404
Net changes in items other than shareholders' equity	–	–	–	–
Total changes during period	–	67,404	–	67,404
Balance at end of period	99,000	2,280,433	–	2,280,433

	Shareholders' equity			Share acquisition rights	Total net assets
	Retained earnings		Total shareholders' equity		
	Other retained earnings	Total retained earnings			
	Retained earnings brought forward				
Balance at beginning of period	(1,388,663)	(1,388,663)	923,366	250	923,616
Changes during period					
Issuance of new shares	–	–	134,808	–	134,808
Profit (loss)	(746,359)	(746,359)	(746,359)	–	(746,359)
Compensation for deficit	67,404	67,404	–	–	–
Capital reduction	–	–	–	–	–
Net changes in items other than shareholders' equity	–	–	–	1,048	1,048
Total changes during period	(678,955)	(678,955)	(611,551)	1,048	(610,502)
Balance at end of period	(2,067,618)	(2,067,618)	311,815	1,298	313,113

Fiscal year ended September 30, 2024

(Thousands of yen)

	Shareholders' equity		
	Share capital	Capital surplus	
		Legal capital surplus	Total capital surplus
Balance at beginning of period	99,000	2,280,433	2,280,433
Changes during period			
Issuance of new shares	545,443	545,443	545,443
Profit (loss)	–	–	–
Total changes during period	545,443	545,443	545,443
Balance at end of period	644,443	2,825,877	2,825,877

	Shareholders' equity			Share acquisition rights	Total net assets
	Retained earnings		Total shareholders' equity		
	Other retained earnings	Total retained earnings			
	Retained earnings brought forward				
Balance at beginning of period	(2,067,618)	(2,067,618)	311,815	1,298	313,113
Changes during period					
Issuance of new shares	–	–	1,090,886	–	1,090,886
Profit (loss)	(499,941)	(499,941)	(499,941)	–	(499,941)
Total changes during period	(499,941)	(499,941)	590,944	–	590,944
Balance at end of period	(2,567,560)	(2,567,560)	902,759	1,298	904,058

(4) Non-consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended September 30, 2023	Fiscal year ended September 30, 2024
Cash flows from operating activities:		
Profit (loss) before income taxes	(742,951)	(497,651)
Depreciation	2,725	14,217
Increase (decrease) in allowance for doubtful accounts	2,379	(7,783)
Decrease (increase) in trade receivables	(112,182)	(243,051)
Decrease (increase) in trade accounts receivable	(80,937)	(58,760)
Increase (decrease) in trade accounts payable	158,323	114,744
Increase (decrease) in accounts payable - other	108,218	4,535
Interest expenses	1,958	25,642
Increase (decrease) in contract liabilities	36,726	7,808
Increase (decrease) in accrued expenses	35,540	4,555
Increase (decrease) in accrued consumption taxes	66,304	42,337
Share issuance costs	555	8,436
Guarantee fee	671	660
Listing expenses	–	11,557
Other, net	39,905	(1,999)
Subtotal	(487,351)	(574,750)
Income taxes paid	(2,807)	(3,407)
Interest expenses and guarantee commission paid	(2,629)	(28,969)
Other, net	–	162
Net cash provided by (used in) operating activities	(488,200)	(606,964)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(47,740)	(6,918)
Purchase of investment securities	(995)	–
Payments of leasehold and guarantee deposits	(2,775)	(48,787)
Other, net	360	–
Net cash provided by (used in) investing activities	(51,150)	(55,705)
Cash flows from financing activities:		
Proceeds from short-term borrowings	50,000	–
Repayments of short-term borrowings	(50,000)	(50,000)
Proceeds from long-term borrowings	50,000	1,550,000
Repayments of long-term borrowings	(67,454)	(103,407)
Proceeds from issuance of shares	134,808	1,090,886
Payments for issuance of share	(555)	(11,436)
Proceeds from issuance of share acquisition rights	1,048	–
Net cash provided by (used in) financing activities	117,847	2,467,042
Net increase (decrease) in cash and cash equivalents	(421,503)	1,813,372
Cash and cash equivalents at beginning of period	1,203,087	781,584
Cash and cash equivalents at end of period	781,584	2,594,956