



January 14, 2025

Consolidated Financial Results for the three Months Ended November 30, 2024

Name of Company Demae-can Co., Ltd
 Stock exchange Standard of Tokyo Stock Exchange (Code 2484)
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Scheduled date of filing of quarterly report: January 14, 2025
 Scheduled start of dividend payment: -
 Supplementary materials for quarterly financial results: Yes
 Hosting quarterly financial results meeting: Yes (for institutional investors & analyst)

Notes: 1. The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.
 2. Amounts are rounded down to the nearest million yen.

1. Consolidated financial highlights for the Year Ended November 30, 2024

(1) Operating results

Note: Percentages indicate changes from the same period of the previous fiscal year.

	Three months ended			
	November 30, 2023		November 30, 2024	
		%		%
Net sales (Millions of yen)	12,107	(0.7)	11,048	(8.7)
Operating profit (Millions of yen)	(1,256)	-	(400)	-
Ordinary profit (Millions of yen)	(1,209)	-	(462)	-
Profit attributable to owners of parent (Millions of yen)	(1,211)	-	(465)	-
Profit per share (Yen):				
Basic	(9.16)		(3.88)	
Diluted	-		-	
Comprehensive income:	Three month ended November 30, 2024: (465) million yen, - % Three month ended November 30, 2023: (1,192) million yen, - %			

(2) Financial position

	As of	
	August 31, 2024	November 30, 2024
Total assets (Millions of yen)	47,943	43,488
Total net assets (Millions of yen)	36,548	33,920
Equity ratio (%)	76.2	78.0
Equity:	33,920 million yen (as of November 30, 2024) 36,548 million yen (as of August 31, 2024)	

2. Dividends

	Year ended August 31, 2024	Year ending August 31, 2025	Year ending August 31, 2025 (forecast)
Q1-end dividends per share (Yen)	-		
Q2-end dividends per share (Yen)	0.00		0.00
Q3-end dividends per share (Yen)	-		-
Year-end dividends per share (Yen)	0.00		0.00
Annual dividends per share (Yen)	0.00		0.00

Note: Revision to the dividends forecasts most recently announce: None
No dividend will be paid for the fiscal year ending August 31, 2025 (forecast).

3. Financial forecasts for the fiscal year ending August 31, 2025

Note: Percentages indicate changes from the same period of the previous fiscal year.

	Year ending August 31, 2025	%
Sales (Billions of yen)	53.0	5.1
Operating profit (Millions of yen)	1.0	-

(Note) Revisions to the most recently announced earnings forecasts: None

*Notes

- (1) Important changes in subsidiaries (Changes on specific subsidiaries associated with changes in scope of consolidation): None
- (2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: Yes
(Note) For details, please refer to "2. Quarterly Consolidated Financial Statements and Notes (3) Notes to Quarterly Consolidated Financial Statements (Application of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)" on page 7 of the attached materials.
- (3) Changes in accounting policies, changes in accounting estimates and restatements
 1. Changes in accounting policies along with changes in accounting standards: Yes
 2. Other changes of accounting policies besides the number 1 above: None
 3. Changes in accounting estimates: None
 4. Restatements: None
- (Note) For details, please refer to "2. Quarterly Consolidated Financial Statements and Notes (3) Notes to Quarterly Consolidated Financial Statements (Application of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)" on page 7 of the attached materials.
- (4) Number of shares issued and outstanding (common share)
 1. Number of shares issued and outstanding (including treasury shares)

As of November 30, 2024:	132,421,230 shares
As of August 31, 2024:	132,421,230 shares
 2. Number of shares of treasury shares

As of November 30, 2024:	17,523,366 shares
As of August 31, 2024:	8,566,905 shares
 3. Average number of shares outstanding

As of November 30, 2024:	119,970,692 shares
As of November 30, 2023:	132,185,594 shares

*** These Consolidated Financial Results are not subject to audits by certified public accountants or audit corporations.**

*** Explanation of the appropriate use of financial forecast and other notes:**

- The financial forecasts and estimates provided in these Consolidated Financial Results are based on information available at the time of report issuance and certain assumptions judged to be reasonable by

the Company and are, therefore, not guarantees of future performance. Consequently, actual results may differ substantially from those described in these Consolidated Financial Results. Please refer to 1. Summary of Operating Results and Financial Position (3) Explanation of Consolidated Financial Forecasts and Other Forward-Looking Statements on page 4 for further details.

1. Summary of Operating Results and Financial Position

(1) Summary of Quarterly Operating Results for the Fiscal Year under Review

During the fiscal year under review (September 1, 2024 to November 30, 2024), the Group sought to increase the satisfaction and retain users, riders, and merchants by making steady efforts to enhance the lineup of merchants in both the food and non-food areas, while enhancing the customer experience by improving the accuracy of the delivery time and the quality of customer service.

Additionally, the number of member stores participating in "Yahoo! Quick Mart," a service launched in collaboration with LY Corporation in August 2024, has increased. As of November 2024, the delivery area has expanded to cover 43 prefectures nationwide.

Going forward, the Company will continue to offer services to be chosen by users, riders and merchants by focusing on the fundamental enhancement of service quality through the improvement of products, with an eye toward achieving its goal of making delivery part of everyday life.

On the cost side, the optimization of cost of sales progressed steadily, and the gross profit margin improved from the previous fiscal year to 28.1% (the gross profit margin of 22.7% in the previous fiscal year). Marketing costs were controlled focusing on cost effectiveness according to market trends.

Consequently, consolidated net sales for the fiscal year under review decreased by 8.7% year on year, to 11,048 million yen, accordingly, an operating loss of 400 million yen (operating loss of 1,256 million yen in the previous fiscal year), an ordinary loss of 462 million yen (ordinary loss of 1,209 million yen in the previous fiscal year), and a loss attributable to owners of parent of 465 million yen (loss attributable to owners of parent of 1,211 million yen in the previous fiscal year).

(2) Summary of Quarterly Financial Position in the Fiscal Year under Review

Current assets at the end of the fiscal year under review amounted to 43,090 million yen, a decrease of 4,453 million yen from the end of the previous fiscal year. This was mainly attributable to a decrease of 2,089 million yen in cash and deposits and a decrease of 969 million yen in accounts receivable-other.

Non-current assets at the end of the fiscal year under review amounted to 397 million yen, a decrease of 0 million yen from the end of the previous fiscal year. Key factors contributing to this included a decrease of 3 million yen in investment securities.

As a result, total assets at the end of the fiscal year under review amounted to 43,488 million yen, a decrease of 4,454 million yen from the end of the previous fiscal year.

Current liabilities at the end of the fiscal year under review amounted to 9,405 million yen, a decrease of 1,826 million yen from the end of the previous fiscal year. This was caused primarily by a decrease of 1,389 million yen in accounts payable - other.

Non-current liabilities at the end of the fiscal year under review was 163 million yen with no change from the end of the previous fiscal year.

As a result, total liabilities at the end of the fiscal year under review amounted to 9,568 million yen, a decrease of 1,826 million yen from the end of the previous fiscal year.

Net assets amounted to 33,920 million yen, a decrease of 2,627 million yen from the end of the previous fiscal year. Key factors contributing to this were a decrease of 2,162 million yen due to the acquisition of treasury stock and the 465 million yen of a loss attributable to owners of parent.

(3) Explanation of Consolidated Financial Forecasts and Other Forward-Looking Statements

There is no change to the full-year consolidated earnings forecast for the fiscal year ending August 31, 2025, which was announced in the "Consolidated Financial Results for the fiscal year ending August 31, 2024," released on October 11, 2024.

2. Quarterly Consolidated Financial Statements and Notes to Consolidated Financial Statement

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of August 31, 2024	As of November 30, 2024
Assets		
Current assets		
Cash and deposits	34,511	32,421
Notes and accounts receivable—trade	105	81
Accounts receivable-other	10,405	9,435
Other	2,577	1,187
Allowance for doubtful accounts	(55)	(36)
Total current assets	47,544	43,090
Non-current assets		
Investments and other assets		
Investment securities	3	—
Guarantee deposits	395	397
Other	4	3
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	398	397
Total non-current assets	398	397
Total assets	47,943	43,488
Liabilities		
Current liabilities		
Accounts payable - other	10,299	8,910
Income taxes payable	12	3
Provision for bonuses	63	26
Provision for sales promotion expenses	300	154
Other	556	310
Total current liabilities	11,231	9,405
Non-current liabilities		
Other	163	163
Total non-current liabilities	163	163
Total liabilities	11,395	9,568
Net assets		
Shareholders' equity		
Capital stock	100	100
Capital surplus	54,166	54,166
Retained earnings	(15,665)	(16,130)
Treasury shares	(2,053)	(4,215)
Total shareholders' equity	36,548	33,920
Total net assets	36,548	33,920
Total liabilities and net assets	47,943	43,488

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Millions of yen)

	Year ended November 30, 2023	Year ended November 30, 2024
Net sales	12,107	11,048
Cost of sales	9,364	7,939
Gross profit	2,742	3,109
Selling, general and administrative expenses	3,999	3,510
Operating profit	(1,256)	(400)
Non-operating income		
Share of profit of entities accounted for using equity method	39	—
Subsidy income	—	0
Other	8	2
Total non-operating income	47	2
Non-operating expenses		
Compensation for damage	0	1
Donation	—	60
Other	0	1
Total non-operating expenses	0	63
Ordinary profit	(1,209)	(462)
Extraordinary losses		
Loss on change in equity	—	—
Total extraordinary losses	—	—
Profit before income taxes	(1,209)	(462)
Income taxes etc.	2	3
Profit	(1,211)	(465)
Profit attributable to owners of parent	(1,211)	(465)

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	Year ended November 30, 2023	Year ended November 30, 2024
Profit	(1,211)	(465)
Other comprehensive income		
Valuation difference on available-for-sale securities	18	—
Total other comprehensive income	18	—
Comprehensive income	(1,192)	(465)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,192)	(465)
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on the going concern assumption)

Not applicable

(Notes on significant changes in the amount of shareholders' equity)

Not applicable

(Change in accounting policies)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; the "Revised Accounting Standard of 2022") and other relevant ASBJ regulations from the beginning of the first quarter of the current fiscal year.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment in the proviso of paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022). This change in accounting policies has no impact on the quarterly consolidated financial statements.

In addition, regarding the revisions related to revised treatment in the consolidated financial statements of the deferral for tax purposes of gains or losses arising from the sale of shares of subsidiaries and other securities between consolidated companies, the Company has applied the application guidance for the 2022 revision from the beginning of the first quarter of the current fiscal year. This change in accounting policies has no impact on the quarterly consolidated financial statements, though the change in accounting policy is applied retrospectively.

(Adoption of special accounting methods for preparation of quarterly consolidated financial statements)
(Calculation of tax expenses)

With respect to the calculation of tax expenses, reasonable estimations are performed on an effective tax rate established after applying tax accounting to profit before income taxes for the consolidated fiscal year, which includes the first quarter of the consolidated fiscal year under review, and such tax expenses are calculated by multiplying this estimated effective tax rate by profit before income taxes. If the calculation of tax expenses using the estimated effective tax rate is extremely unreasonable, profit/loss before income taxes multiplied by the statutory tax rate is used and the recoverability of deferred tax assets is taken into consideration.

(Segment information)

Since the Group has only single business segment, the statement is omitted.