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TAN CHONG INTERNATIONAL LIMITED
陳唱國際有限公司
(incorporated in Bermuda with limited liability)
(Stock Code: 693)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

The announcement of financial results of Zero Co., Ltd. for the year ended 30 June 2025 is originally prepared in Japanese ("Original Announcement"). The attached announcement on the next page is a translation of the Original Announcement solely for the purpose of providing information.

By the order of the Board
Tan Chong International Limited
Teo Siok Ghee
Liew Daphnie Pingyen
Joint Company Secretaries

Hong Kong, 7 August 2025

Website: http://www.tanchong.com

As at the date of this announcement, the executive Directors are Mr. Tan Eng Soon, Mr. Glenn Tan Chun Hong, Mr. Tan Kheng Leong，Mdm. Sng Chiew Huat， Ms. Gillian Tan Tsui Lyn and Mr. Lee Chow Yoke. The independent non-executive Directors are Mr. Ng Kim Tuck, Mr. Azman Bin Badrillah, Mr. Prechaya Ebrahim, Mr. Teo Ek Kee and Mr. Charles Tseng Chia Chun.

Summary of Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 [Based on IFRS]

August 7, 2025

Company name: ZERO CO., LTD. Stock Exchange Listing: Tokyo
Stock code: 9028 URL http://www.zero-group.co.jp/
Representative: President & CEO Toshihiro Takahashi
Inquiries: General Manager of Corporate Planning Department Takashi Date (TEL) 044-520-0106
Scheduled Date of Ordinary General meeting of Shareholders: September 26, 2025 Scheduled date to commence dividend payments: September 29, 2025
Scheduled Date for the Submission of Annual Securities Report: September 29, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (For analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the fiscal year ended June 30, 2025 (From July 1, 2024 to June 30, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes)

	Sales revenue		Operating income		Profit before tax		Net Income		Profit attributable to equity shareholders of the company		Total comprehensive income of the fiscal year	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2024/2025	147,843	5.0	10,228	64.4	10,213	64.0	7,199	71.2	7,179	73.0	7,084	46.5
FY2023/2024	140,751	5.9	6,222	22.6	6,227	22.6	4,204	21.7	4,150	20.7	4,837	26.8

	Basic earnings of this year per share	Diluted earnings of this year per share	Profit ratio attributable to equity shareholders of the company	Total capital profit ratio before tax	Sales revenue operating profit ratio
	Yen	Yen	%	%	%
FY2024/2025	423.91	–	17.9	14.1	6.9
FY2023/2024	245.61	–	11.8	9.8	4.4

(Reference) Investment gain / loss through equity method; FY2024/2025: △5 million yen, FY2023/2024: △13 million yen

(2) Consolidated financial position

	Total assets	Total capital	Equity attributable to equity shareholders of the company	Equity ratio attributable to equity shareholders of the company	Equity per share attributable to equity shareholders of the company
	Millions of yen	Millions of yen	Millions of yen	%	Yen
FY2024/2025	73,948	43,530	42,901	58.0	2,530.56
FY2023/2024	70,733	37,873	37,209	52.6	2,199.60

(3) Consolidated cash flow position

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
FY2024/2025	12,857	△2,836	△4,606	16,643
FY2023/2024	11,233	△4,663	△824	11,316

2. Cash dividends

	Annual dividends per share					Total dividends (Total)	Dividend payout ratio (consolidated)	Equity dividend ratio attributable to equity shareholders of the company (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2023/2024	---	15.00	---	46.40	61.40	1,050	25.0	2.9
FY2024/2025	---	43.00	---	96.90	139.90	2,393	33.0	5.9
FY2025/2026 (forecast)	---	56.00	---	84.30	140.30		33.0	

3. Forecast of consolidated financial results for the year ending June 30, 2026 (From July 1, 2025 to June 30, 2026)

(Percentages indicate year-on-year changes)

	Sales revenue		Operating income		Profit before tax		Profit attributable to equity shareholders of the company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	145,000	△1.9	10,300	0.7	10,300	0.8	7,200	0.3	425.11

※(Note)

(1) Changes in significant subsidiary companies during the current fiscal year (Changes in the specific subsidiary companies following changes in the scope of consolidation): No

New — Co. (Company name), Exclusions — Co. (Company name)

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

① Changes in the accounting policies required by IFRS : No

② Changes in the accounting policies due to reasons other than ① : No

③ Changes in the accounting estimates : No

(3) Number of issued shares (common shares)

① Total number of issued shares at the end of the period (including treasury shares)	FY2024/2025	17,560,242 shares	FY2023/2024	17,560,242 shares
② Number of treasury shares at the end of the period	FY2024/2025	791,921 shares	FY2023/2024	920,782 shares
③ Average number of shares during the period (total up to this year)	FY2024/2025	16,936,614 shares	FY2023/2024	16,898,921 shares

(Reference) Summary of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended June 30, 2025 (From July 1, 2024 to June 30, 2025)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes)

	Sales revenue		Operating income		Profit before tax		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2024/2025	68,846	8.4	3,992	70.9	6,709	61.6	5,642	98.1
FY2023/2024	63,500	7.7	2,336	12.9	4,151	56.8	2,848	51.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2024/2025	337.28	-
FY2023/2024	171.34	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	yen
FY2024/2025	52,767	31,292	59.3	1,866.17
FY2023/2024	45,944	27,119	59.0	1,629.84

(Reference) Company's Equity FY2024/2025: 31,292 million yen FY2023/2024: 27,119 million yen

<Reasons for the Difference Between Current and Previous Fiscal Year's Performance Figures>

In the current fiscal year, the Company carried out sales activities with a focus on gross profit in its domestic automotive-related business and continued to implement price revisions from the previous fiscal year. In addition, the compensation for the loss provision recorded in the previous fiscal year due to a fire at the Company's Kawasaki Integrated Logistics Center, was accounted for in the current fiscal year. As a result, there were differences between the actual figures for operating income, profit before tax, and net income for the previous fiscal year and those for the current fiscal year.

※Earnings summary is not within the scope of audit by a certified public accountant or auditor

※Explanation of the proper use of financial results forecast and other notes

1. The earnings forecast, and other forward-looking statements herein are based on the information currently available to the Company and certain assumptions that the Company considers reasonable. The actual results may differ significantly from these forecasts due to a wide range of factors such as economic status of the major domestic and international markets or exchange rates fluctuation.
2. At our company, business management is conducted on a consolidated basis; therefore, individual business results forecasts are not created.

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1. Summary of operating results

(1) Summary of operating results of the current fiscal period

During the consolidated fiscal year, the Japanese economy showed signs of mild recovery overall, despite some weak trends observed in certain regions.

In the domestic automotive market, the total number of new vehicle sales increased to 104.1% (statistical data of the Japan Automobile manufacturers Association) compared to the previous consolidated fiscal year (hereinafter referred to as the "same period of the previous year"). This increase was driven by the resumption of production for certain vehicle models that had been suspended due to misconduct issues by some automobile manufacturers in the first half of last year, leading to progress in clearing backorders. As a result, the overall domestic sales volume increased. Furthermore, the number of used car registrations and sales also increased to 100.3% compared to the same period of the previous year, as demand for used car exports remained strong.

[Number of units related to domestic distribution of automobiles]

Units: vehicles

Domestic		July 2023 to June 2024	July 2024 to June 2025	Compared to the previous year
Number of new vehicles sold				
Domestic manufacturer	*1	4,216,427	4,403,982	104.4%
(out of this, Nissan Motor)	*1	(475,873)	(450,159)	(94.6%)
Foreign manufacturer	*2	239,549	235,480	98.3%
Total of new vehicle sales		4,455,976	4,639,462	104.1%
Number of registered used cars				
Registered vehicles	*3	3,625,231	3,636,906	100.3%
Light vehicles	*4	2,835,028	2,844,336	100.3%
Total number of used vehicles registered		6,460,259	6,481,242	100.3%

Export		July 2023 to June 2024	July 2024 to June 2025	Compared to the previous year
New vehicles of domestic manufacturers	*1	4,416,917	4,245,680	96.1%
Used vehicles (registered vehicles)	*5	1,596,547	1,621,765	101.6%

*1 Calculated from Japan Automobile Industry Association statistics *2 Calculated from Japan Automobile Importers' Association statistics

*3 Calculated from Japan Automobile Dealers Association statistics *4 Calculated from Japan Mini Vehicles Association statistics

*5 Trial calculated from the number of export deleted registered vehicles in the Japan Automobile Dealers Association statistics

[Fuel retail price]

Unit: Yen / L

National average		July 2023 to June 2024	July 2024 to June 2025	Compared to the previous year
Light oil	*6	155.7	158.1	101.5%
Regular petrol	*6	176.0	178.4	101.4%

*6 Calculated from statistics of Agency for Natural Resources and Energy (fuel used by our company for transport is mainly light oil)

Against the backdrop of these market conditions, the performance of our group resulted in revenue of 147,843 million yen (105.0% compared to the same period of the previous year) and operating profit of 10,228 million yen (164.4% compared to the same period of the previous year). Profit before tax amounted to 10,213 million yen (164.0% compared to the same period of the previous year), and profit attributable to owners of the parent company was 7,179 million yen (173.0% compared to the same period of the previous year).

The segment business results are as follows.

<Domestic automotive related businesses>

In our core vehicle transportation business, despite facing the implementation of crew working hour regulations due to the “2024 logistics issue”, we were able to maintain our transportation capacity by promoting a division-of-labor system among crew members, strengthening recruitment, and increasing payment rates to partner companies, thereby maintaining the number of units for transportation contracts. However, we also faced cost increases due to compliance with the 2024 regulations, rising recruitment and labor costs driven by the Consumer Price Index and minimum wage hikes, as well as higher vehicle and maintenance costs for carrier trucks. Under these circumstances, (1) we focused on gross profit-oriented sales activities, such as promoting the acquisition of return cargo in order to effectively utilize its limited transportation capacity and reduce empty return trips; (2) the strong performance of Zero Plus BHS Co., Ltd. and Zero Plus IKEDA Co., Ltd., along with the consolidation of SO-ING Co., Ltd. as a subsidiary, contributed positively; and (3) additionally, transportation fees for both new and used vehicles were gradually increased starting January 2024, further boosting results of profit. Although part of the goodwill for SO-ING Co., Ltd. was impaired due to a divergence from the business assumptions made at the time of acquisition, both revenue and segment profit increased for the domestic automotive-related business overall.

As a result, revenue from the domestic automotive-related business was 69,519 million yen (109.0% compared to the same period of the previous year) and segment profit was 9,047 million yen (129.4% compared to the same period of the previous year).

In the vehicle transportation business, under the medium-term management plan through the fiscal year ending June 2027, we are focusing on the theme of "Returning to the Fundamentals of Quality" We are advancing initiatives such as "Further Responses to the '2024 Logistics Problem'—Reviewing the Role and Operations of Logistics Centers, Securing Transport Capacity," "Reducing and Addressing Accidents and Complaints," and "Promoting Digitalization."

<Human resource businesses>

In the shuttle service business, revenue increased as a result of implementing fare revisions at low-profitability locations and improving driver recruitment methods, which enabled successful hiring. This allowed us to secure new contracts and expand vehicle fleets for our Mobility as a Service (MaaS) business. In the human resources services business, revenue also increased due to a rise in the number of dispatched drivers.

The shuttle service and human resources services businesses saw increased profits along with increased revenue, but segment profits declined due to expenses incurred in advance for the new business, Wnten.com, which was launched in March 2023, as well as lower-than-planned results.

As a result, revenue from the Human Resource Business was 23,059 million yen (106.6% compared to the same period of the previous year) and segment profit was 804 million yen (99.2% compared to the same period of the previous year).

<General cargo businesses>

In the transportation and warehousing business, revenue in the transportation section decreased due to a decline in cargo volume handled by major customers and a reduction in subcontracted carriers, influenced by the '2024 logistics issue'. However, the warehousing section saw an increase in revenue, supported by the initiation of new projects. Furthermore, in the port cargo handling business, revenue increased thanks to a rise in the volume of cargo handled for certain customers. As a result, general cargo business overall posted an increase in revenue.

Segment profit rose in the port cargo handling business due to the revenue increase. In the transportation and warehousing business, profit also increased due to factors such as identifying and withdrawing from unprofitable transportation operations, launching new warehouse handling projects, and acquiring new customers, which led to higher warehouse space utilization. Additionally, while in the same period last year the company had recorded a provision for losses due to a fire at the Kawasaki Integrated Logistics Center. However, the compensation for these losses was accounted in the fourth quarter of the current fiscal year, further contributing to increased profit for the general cargo business as a whole.

As a result, revenue from the general cargo business was 6,503 million yen (101.6% compared to the same period of the previous year), and segment profit was 1,961 million yen (248.0% compared to the same period of the previous year).

<Overseas Related Business>

The used car export business was temporarily forced to limit the number of used cars exported due to the timing of the issuance of used car import permits in Malaysia in the first half of the year,. However, in the second half of the year, used car import permits were issued and a system was established to secure sufficient space on car carrier ships, allowing vehicles that had be stuck in Japan to be shipped, resulting in increased revenue. On the other hand, in China, vehicle transportation business saw a decline in revenue due to a decrease in new vehicle shipments caused by the weak performance of Japanese automobile manufacturers. As a result, total revenue from overseas-related business declined.

Segment profit increased in the used car export business along with revenue. In the vehicle transportation business in China, profit decreased due to the decline in revenue. However, in the same period last year, the company had recorded an impairment loss on its CKD business, so overall segment profit for the overseas-related business increased.

As a result, revenue from overseas-related business was 48,760 million yen (99.6% compared to the same period of the previous year), and segment profit was 892 million yen (1,165.9% compared to the same period of the previous year).

Please note: Company-wide expenses (mainly costs related to headquarters and administrative departments) that are not included in the above reportable segments are recorded under "Adjustments" as stated in “3. Consolidated Financial Statements and Major Notes, (6) Notes to the Consolidated Financial Statements, (Segment Information)” and amounted to 2,477 million yen.

(2) Summary of financial position of the current fiscal period

Assets, Liabilities, and Equity

(Assets)

Current assets increased by 5,255 million yen (15.9%) compared to the end of the previous consolidated fiscal year, reaching 38,249 million yen.

This was mainly due to an increase of 5,326 million yen in cash and deposits.

Non-current assets decreased by 2,040 million yen (5.4%) compared to the end of the previous consolidated fiscal year, amounting to 35,699 million yen.

This was primarily due to a decrease of 2,377 million yen in property, plant and equipment, partially offset by an increase of 237 million yen in deferred tax assets.

As a result, total assets increased by 3,215 million yen (4.5%) compared to the end of the previous fiscal year, reaching 73,948 million yen.

(Liabilities)

Current liabilities increased by 81 million yen (0.3%) compared to the end of the previous consolidated fiscal year, totaling 24,227 million yen.

This was mainly due to a decrease of 237 million yen in trade and other payables and a decrease of 100 million yen in bonds and borrowings. However, these were offset by an increase of 392 million yen in other current liabilities.

Non-current liabilities decreased by 2,524 million (29.0%)compared to the end of the previous consolidated fiscal year, totaling 6,190 million yen.

This was mainly due to a 2,693 million yen decrease in lease liabilities.

As a result, total liabilities decreased by 2,442 million yen (7.4%) compared to the end of the previous consolidated fiscal year, amounting to 30,417 million yen.

(Equity)

Equity increased by 5,657 million yen (14.9%) compared to the end of the previous consolidated fiscal year, reaching 43,530 million yen.

This was mainly due to an increase of 5,788 million yen in retained earnings, reflecting the net income for the period.

(3) Summary of cash flows of the current fiscal period

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of the current consolidated fiscal year increased by 5,326 million yen compared to the end of the previous consolidated fiscal year, amounting to 16,643 million yen. Each cash flow status category during current consolidated fiscal year and their causes are as follows.

(Cash flow from operating activities)

Funds provided by operating activities was 12,857 million yen (11,233 million yen in the previous consolidated fiscal year).

The main factors for the increase in funds were profit for the period of 7,199 million yen and depreciation and amortization (non-fund expenses) of 5,173 million yen; the main factor for the decrease in funds was income tax payment of 3,075 million yen.

(Cash flow from investment activities)

Net cash used in investing activities was 2,836 million yen (4,663 million yen in previous the consolidated fiscal year). The main itemization breakdown for expenditures were 2,121 million yen for the acquisition of property, plant and equipment and investment property, 795 million yen for the acquisition of intangible assets, and 249 million yen for the acquisition of shares of subsidiaries resulting in change in scope of consolidation.

(Cash flow from financing activities)

Funds used in financing activities was 4,606 million yen (824 million yen in the previous consolidated fiscal year). The main itemization breakdown for expenditures were 3,013 million yen for the repayments of lease liabilities and 1,493 million yen for dividends paid.

(4) Future outlook

In the next consolidated fiscal year, while continuing to strengthen the structure of the vehicle transportation business to further secure sales revenue, the used car export business to Malaysia is expected to see a temporary decline in local demand and there is uncertainty surrounding Trump's tariffs. As a result, revenue is expected to slightly decrease. With regard to operating profit, by reconstructing our operational structure to achieve further efficiency, promoting sales activities focused on gross profit across the our entire consolidated group, streamlining our vehicle transportation business, and thoroughly reducing costs, we will make efforts to maintain profits at the same level as the current consolidated fiscal year despite the expected increase in costs associated with revising our salary system and structure to address the shortage of drivers, increased costs associated with proactive system investments, and rising vehicle and maintenance costs, as well as the loss of profit factors associated with and the absence of the one-time profit boost seen in the fiscal year ending June 2025 from the reversal of the fire loss provision at the Kawasaki Integrated Logistics Center.

Taking these into account, the performance forecast for the fiscal year ending June 2026 is as revenue of 145,000 million yen; operating profit of 10,300 million yen; profit before income taxes of 10,300 million yen; profit attributable to owners of parent company of 7,200 million yen.

* The above forecast is judged by the company to be rational based on information procurable as of now and the actual results may differ from the forecast.

2. Basic view on selection of accounting standards

Our corporate group has voluntarily adopted the International Financial Reporting Standards (IFRS) for our consolidated financial statements starting with the Annual Securities Report for the fiscal year ending June 2016 (70th fiscal period) in order to Improve management efficiency and quality through the unification of financial reporting standards and to enhance the international comparability of financial information in capital markets, taking into account the progress of overseas business expansion and the policies of our parent company, Tan Chong International Limited Group.

3. Consolidated financial statements and major notes

(1) Consolidated statement of financial position

(Units: Million yen)

	End of the previous consolidated accounting year (June 30, 2024)	End of the current consolidated accounting year (June 30, 2025)
Assets		
Current assets		
Cash and cash equivalents	11,316	16,643
Trade and other receivables	17,326	17,431
Inventories	2,979	3,137
Other financial assets	877	389
Other current assets	494	646
Total current assets	32,994	38,249
Non-current assets		
Tangible fixed assets	24,845	22,468
Goodwill and intangible assets	5,328	5,306
Investment properties	2,949	2,958
Investment accounting processed with equity method	516	533
Other financial assets	2,106	2,024
Other non-current assets	1,426	1,606
Deferred tax assets	565	802
Total non-current assets	37,739	35,699
Total assets	70,733	73,948

(Units: Million yen)

	End of the previous consolidated accounting year (June 30, 2024)	End of the current consolidated accounting year (June 30, 2025)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payable	9,892	9,655
Bonds and borrowings	5,100	5,000
Lease liabilities	2,872	2,686
Income taxes payable, etc.	1,867	2,082
Other financial liabilities	2	―
Other current liabilities	4,410	4,802
Total current liabilities	24,145	24,227
Non-current liabilities		
Lease liabilities	6,276	3,582
Other financial liabilities	93	104
Retirement benefits liabilities	1,008	1,030
Other non-current liabilities	356	460
Deferred tax liabilities	979	1,012
Total non-current liabilities	8,714	6,190
Total liabilities	32,860	30,417
Equity		
Capital	3,390	3,390
Capital surplus	3,484	3,465
Treasury stock	△614	△528
Other components of funds	841	679
Retained earnings	30,106	35,894
Total equity attributable to the equity shareholders of the company	37,209	42,901
Non-controlling interest	663	629
Total Equity	37,873	43,530
Total liabilities and equity	70,733	73,948

(2) Consolidated statement of profit or loss

(Units: Million yen)

	Previous consolidated fiscal year (July 1, 2023 to June 30, 2024)	Current Consolidated fiscal year (July 1, 2024 to June 30, 2025)
Sales	140,751	147,843
Cost of sales	△123,083	△126,090
Gross profit	17,668	21,753
Selling, general and administrative expenses	△11,297	△11,666
Other income	414	818
Other expenses	△562	△676
Operating profit	6,222	10,228
Financial profit	65	66
Financial expenses	△46	△76
Investment gain / loss through equity method	△13	△5
Profit before tax	6,227	10,213
Corporate income tax expenses	△2,023	△3,014
Profit of the year	4,204	7,199
Attribution of the profits of the year:		
Equity shareholders of the company	4,150	7,179
Non-controlling interest	53	19
Profit of the year	4,204	7,199
Earnings per share		
Basic earnings per share (yen)	245.61	423.91

(3) Consolidated statements of comprehensive income

(Units: Million yen)

	Previous consolidated fiscal year (July 1, 2023 to June 30, 2024)	Current Consolidated fiscal year (July 1, 2024 to June 30, 2025)
Profit of the year	4,204	7,199
Other comprehensive income		
Items not transferring over to profit or loss:		
Remeasurement of defined benefit system	413	71
Net change amount of fair value of equity instruments specified by measured by fair value through other comprehensive income	10	△53
Total of the items not transferring over to profit or loss	424	17
Items which may be transferred over to profit or loss		
Conversion difference of business activities overseas	169	△154
Other comprehensive income equity of affiliated company accounted for by the equity method	39	21
Total of the items which may be transferred over to profit or loss	208	△132
Other comprehensive income after tax deduction	632	△114
Comprehensive income for the year	4,837	7,084
Attribution of the comprehensive income for the year:		
Equity shareholders of the company	4,724	7,119
Non-controlling interest	112	△34
Comprehensive income for the year	4,837	7,084

(4) Consolidated statement of changes in equity

Previous consolidated accounting period (July 1, 2023 to June 30, 2024)

(Units: Million yen)

	Equity attributable to equity shareholders of the company									
				Other components of funds					Non-controlling interest	Total Equity
	Capital	Capital Earnings	Treasury stock	Conversion difference of business activities overseas	Financial assets measured by fair value through other comprehensive profits	Remeasurement of defined benefit system	Total other components of funds	Retained earnings	Total equity attributable to the equity shareholders of the company	
Balance on July 1, 2023	3,390	3,461	△638	172	472	—	644	26,426	33,285	550	33,836
Profit of the year							—	4,150	4,150	53	4,204
Other comprehensive income				149	10	413	573		573	59	632
Comprehensive income for the year	—	—	—	149	10	413	573	4,150	4,724	112	4,837
Dividends of the surplus							—	△847	△847		△847
Share-based payment transactions, etc.		23	24				—		47		47
Transfer from other capital component to Retained earnings				△1	39	△413	△376	376	—		—
Total transactions, etc. with the owners	—	23	24	△1	39	△413	△376	△471	△799	—	△799
Balance on June 30, 2024	3,390	3,484	△614	320	521	—	841	30,106	37,209	663	37,873

Current consolidated accounting period (July 1, 2024 to June 30, 2025)

(Units: Million yen)

	Equity attributable to equity shareholders of the company									
				Other components of funds					Non-controlling interest	Total Equity
	Capital	Capital surplus	Treasury stock	Conversion difference of business activities overseas	Financial assets measured by fair value through other comprehensive profits	Remeasurement of defined benefit system	Total other components of funds	Retained earnings	Total equity attributable to the equity shareholders of the company	
Balance on July 1, 2024	3,390	3,484	△614	320	521	—	841	30,106	37,209	663	37,873
Profit of the year							—	7,179	7,179	19	7,199
Other comprehensive income				△78	△53	71	△60		△60	△54	△114
Comprehensive income for the year	—	—	—	△78	△53	71	△60	7,179	7,119	△34	7,084
Dividends of the surplus							—	△1,493	△1,493		△1,493
Share-based payment transactions, etc.		△19	86				—		66		66
Acquisition of treasury stock			△0				—		△0		△0
Transfer from other capital component to Retained earnings					△30	△71	△101	101	—		—
Total transactions, etc. with the owners	—	△19	85	—	△30	△71	△101	△1,391	△1,427	—	△1,427
Balance on June 30, 2025	3,390	3,465	△528	241	437	—	679	35,894	42,901	629	43,530

(5) Consolidated statement of cash flow

(Units: Million yen)

	Previous consolidated fiscal year (July 1, 2023 to June 30, 2024)	Current Consolidated fiscal year (July 1, 2024 to June 30, 2025)
Cash flow from operating activities		
Profit of the year	4,204	7,199
Depreciation and amortization costs	5,135	5,173
Impairment loss	746	572
Interest income and dividend	△56	△60
Interest expense	43	74
Investment gain / loss through equity method	13	5
Corporate income tax expenses	2,023	3,014
Increase / decrease of trade receivables (△ is an increase)	△1,951	△140
Increase / decrease of inventories (△ is an increase)	1,754	△143
Increase / decrease of trade payables (△ is a decrease)	64	△92
Increase / decrease in net defined benefit asset and liability	△61	△66
Other	1,399	411
Subtotal	13,315	15,947
Interest and dividend received	56	60
Interest paid	△43	△74
Corporate income tax paid	△2,095	△3,075
Cash flow from operating activities	11,233	12,857
Cashflow from investment activities		
Payment for acquisition of tangible fixed assets and investment properties	△2,247	△2,121
Proceed from sales of tangible fixed assets and investment properties	63	31
Payment for intangible assets	△539	△795
Expenditures from acquisition of investments in subsidiaries resulting in change in scope of consolidation	△1,655	△249
Other	△284	298
Cashflow from investment activities	△4,663	△2,836

(Units: Million yen)

	Previous consolidated fiscal year (July 1, 2023 to June 30, 2024)	Current Consolidated fiscal year (July 1, 2024 to June 30, 2025)
Cash flow from financing activities		
Net increase or decrease of short-term loans (△ is a decrease)	3,400	―
Redemption of Bonds	△100	△100
Repayment of long-term loans	△295	―
Repayment of lease debts	△2,981	△3,013
Dividend paid	△847	△1,493
Payment for acquisitioning of treasury stock	―	△0
Cash flow from financing activities	△824	△4,606
Effect of exchange rate changes on cash and cash equivalents	95	△87
Increase / decrease in of cash and cash equivalents (△ is a decrease)	5,841	5,326
Cash and cash equivalents at the beginning of the year	5,475	11,316
Balance of cash and cash equivalents at the end of the year	11,316	16,643

(6) Notes on consolidated financial statements

(Notes on going concern assumption)

There are no applicable matters.

(Changes in presentation)

There are no applicable matters.

(Segment information)

(1) Summary of report segment

In the report segment of our group based on business segments, financial information isolated from the structural unit of our group can be procured and the highest decision-making body conducts regular study for deciding division of management resources and evaluating performance.

This group collects the business segments based on the state of management organization and characteristics of the service and creates report segment as “domestic automotive-related business”, “human resources business” and “general cargo business”.

Main services belonging to each report segment

Segment	Main service
Domestic automotive related businesses	Domestic transportation of automobiles and motorcycles, maintenance, in-plant logistics and incidental work, used car auction site operations and related tasks
Human resource businesses	Temporary staffing of drivers, personal car driving management
General cargo businesses	Transportation and storage of general consumer goods, cargo handling of fuel and slag for biomass power generation, warehouse rental cargo handling, etc.
Overseas related businesses	Overseas transportation of automobiles, export of used vehicles, CKD business, etc.

(2) Sale earnings, profit and loss, assets and other amounts for each report segment

Sale earnings, profit and loss, assets and other amounts for each report segment of our group are as follows.

The sale earnings between the segments are based on market pricing.

Previous consolidated accounting period (July 1, 2023 to June 30, 2024)

(Units: Million yen)

	Domestic automotive related businesses	Human resource businesses	General cargo businesses	Overseas related businesses	Total	Adjustment amount (note) 1	Total amount on the consolidated financial statements
Sales from external customers	63,775	21,638	6,398	48,938	140,751	—	140,751
Sales between segments	139	1,777	113	—	2,030	△2,030	—
Total	63,915	23,416	6,511	48,938	142,781	△2,030	140,751
Segment profit (operating profit)	6,994	810	790	76	8,672	△2,450	6,222
Segment assets	33,757	9,759	10,573	12,512	66,603	4,130	70,733
Other items							
Increased amount in non-current assets (Note) 2	10,412	720	1,414	111	12,659	269	12,928
Depreciation and amortization costs (Note) 2	3,288	308	1,061	377	5,036	99	5,135
Impairment loss (Note) 2	—	—	—	746	746	—	746

(Note) 1. The adjusted amount is as follows.

① The △2,450 million yen adjustment amount in the segment profits includes the total company cost △2,450 million yen. The total company cost is an expense related to the management divisions of our company not belonging to the reporting segment.

② 4,130 million yen adjusted amount of segment assets includes total company assets of 13,036 million yen not allotted into any of report segment and △ 8,906 million of translation elimination between segments.

③ The adjusted amount of other items is related to the total company assets not allotted to any report segment.

2. Depreciation and amortization, and impairment losses include amounts related to right-of-use assets. Non-current assets do not include financial assets, deferred tax assets etc. The amounts related to right-of-use assets are also included.

Current consolidated accounting period (July 1, 2024 to June 30, 2025)

(Units: Million yen)

	Domestic automotive related businesses	Human resource businesses	General cargo businesses	Overseas related businesses	Total	Adjustment amount (Note) 1	Total amount on the consolidated financial statements
Sales from external customers	69,519	23,059	6,503	48,760	147,843	—	147,843
Sales between segments	172	2,251	146	—	2,570	△2,570	—
Total	69,692	25,310	6,650	48,760	150,414	△2,570	147,843
Segment profit (operating profit)	9,047	804	1,961	892	12,706	△2,477	10,228
Segment assets	32,930	10,156	10,447	10,798	64,332	9,616	73,948
Other items							
Increased amount in non-current assets (Note) 2	2,972	154	118	27	3,274	167	3,441
Depreciation and amortization costs (Note) 2	3,450	302	1,227	91	5,071	102	5,173
Impairment loss (Note) 2	572	—	—	—	572	—	572

(Note) 1. The adjusted amount is as follows.

(1) The segment profit adjustment of △2,477 million yen is attributable to corporate expenses of △2,477 million yen. The total company cost is an expense related to the management divisions of our company not belonging to the reporting segment.

(2) The segment asset adjustment of 9,616 million yen includes corporate assets of 16,421 million yen not allocated to any reportable segment, and elimination of inter-segment transactions amounting to △6,805 million yen.

③ The adjusted amount of other items is related to the total company assets not allotted to any report segment.

2. Depreciation and amortization include amounts related to right-of-use assets. Non-current assets do not include financial assets, deferred tax assets etc. The amounts related to right-of-use assets are also included.

(3) Regional information

① The breakdown of sales revenue from external customers by region are as follows.

Previous consolidated accounting period (July 1, 2023 to June 30, 2024)

(Units: Million yen)

Japan	Malaysia (note)	Other	Total
92,817	43,770	4,163	140,751

Current consolidated accounting period (July 1, 2024 to June 30, 2025)

(Units: Million yen)

Japan	Malaysia (note)	Other	Total
99,570	44,313	3,959	147,843

② Non-current assets

Since the amount of non-current assets in Japan accounts for the majority of the amount of non-current assets in the consolidated statement of financial position, the statements are omitted.

(4) Information on major customers

Previous consolidated accounting period (July 1, 2023 to June 30, 2024)

(Units: Million yen)

Name or title of customer	Sales	Related segment
Nissan Motors Group (Note)	20,292	Domestic automotive related businesses Overseas Related Business

(Note) The sales performance of the Nissan Motors Group includes the sales performance to Nissan Motors Co., Ltd., Nissan Motorsports & Customizing Co., Ltd., and domestic Nissan Motors sales companies, as well as the sales performance to Dongfeng Motor Co., Ltd. and other Nissan-related companies in China through Zero Scm Logistics (Beijing) Co., Ltd.

Current consolidated accounting period (July 1, 2024 to June 30, 2025)

(Units: Million yen)

Name or title of customer	Sales	Related segment
Nissan Motors Group (Note)	21,086	Domestic automotive related businesses Overseas Related Business

(Note) The sales performance of the Nissan Motors Group includes the sales performance to Nissan Motors Co., Ltd., Nissan Motorsports & Customizing Co., Ltd., and domestic Nissan Motors sales companies, as well as the sales performance to Dongfeng Motor Co., Ltd. and other Nissan-related companies in China through Zero Scm Logistics (Beijing) Co., Ltd.

(Information per share)

The calculation of basic earnings per share for the previous and current consolidated fiscal years is as follows:

	Previous consolidated fiscal year (July 1, 2023 to June 30, 2024)	Current Consolidated fiscal year (July 1, 2024 to June 30, 2025)
Profit for the year attributable to equity shareholders of the company (million Yen)	4,150	7,179
Weighted average number of shares (thousand shares)	16,898	16,936
Basic earnings per share (yen)	245.61	423.91

(Note): Diluted earnings per share are not presented because there are no shares with dilutive effect.

(Business combination)

Previous consolidated accounting period (July 1, 2023 to June 30, 2024)

On November 1, 2023, our Group acquired 100% of the shares of So-ing Co., Ltd. and made it a subsidiary.

(1) Outline of the Business Combination

(1) Name and business of the acquired company

Name of acquired company: So-ing Co., Ltd.

Business Description: Vehicle transportation business, in-house operations for auto auctions, and others.

(2) Acquisition date:

November 1, 2023

(3) Percentage of voting equity interest acquired:

100%

(4) Reasons for the business combination

With the aim of becoming a comprehensive logistics company and service provider in the automobile distribution industry, our Group has been expanding its automobile-related businesses and human resource business in addition to our original vehicle transportation business, and now we welcome So-ing Co., Ltd., which operates vehicle transportation business and auto auction site operation business, to our group. In the vehicle transportation business, with the 2024 problem just around the corner, it is imperative to maintain and secure transportation capacity by reducing the total working hours of crew members and improving transportation efficiency. Taking this acquisition of shares as an opportunity, we will realize improvement in transportation efficiency through the flexible use of cargoes. In the auto auction business, by combining the operational know-how of So-ing Co., Ltd. with the infrastructure and resources of our Group, we will expand the market share of this business and uncover new needs in anticipation of the EV market, thereby maximizing the corporate value of our Group.

(5) Method of acquiring control of the acquired company:

Acquisition of equity interest in exchange for cash

(2) Fair value of acquisition consideration, assets acquired and liabilities assumed as of the acquisition date

Regarding the business combination with SO-ING Co., Ltd. conducted on November 1, 2023, the allocation of the acquisition cost had not been completed during the first half consolidated accounting period, so provisional accounting treatment was applied. However, the allocation of the acquisition cost was completed during the third-quarter consolidated accounting period.

In line with the finalization of this provisional accounting treatment, the amounts of assets and liabilities as of the acquisition date have been revised. The main revisions are an increase of 1,060 million yen in intangible assets, an increase of 360 million yen in non-current liabilities, and a decrease of 699 million yen in goodwill.

(Units: Million yen)

Fair value of acquisition consideration	2,856
Fair value of assets acquired and liabilities assumed	
Cash and cash equivalents	1,200
Trade and other receivables	259
Other current assets	79
Tangible fixed assets	1,211
Intangible assets (Note)	1,060
Other non-current assets	50
Current liabilities	800
Non-current liabilities	795
Fair value (net amount) of assets acquired and liabilities assumed	2,265
Goodwill	590

(Note) Intangible assets of 1,060 million yen identified in the business combination are measured based on assumptions such as estimated future cash flows, discount rates, and the rate of decrease in sales from existing customers, and consist primarily of customer-related assets of 1,060 million yen. The estimated useful life of the customer-related assets is 13 years.

Goodwill mainly consists of synergies with existing businesses and excess earning power expected to arise from the acquisition that do not individually qualify for recognition. None of the recognized goodwill is expected to be deductible for tax purposes.

(3) Acquisition-related expenses

Acquisition-related expenses for this business combination was 89 million yen and is included in "Selling, general and administrative expenses" in the summary of quarterly consolidated profit and loss statement.

(4) Cash flow from acquisition

(Units: Million yen)

Cash and cash equivalents used in the acquisition	△2,856
Cash and cash equivalents held by the acquired company at the time of acquisition	1,200
Expenditures from acquisition of investments in subsidiaries resulting in change in scope of consolidation	△1,655

(5) Impact of the business combination on the Group's performance

Since the profit and loss information related to the business combination after the acquisition date, as well as the impact of the business combination on the group's performance for the previous fiscal year assuming it had been conducted at the beginning of the previous fiscal year, is not significant, no disclosure has been made.

Current consolidated accounting period (July 1, 2024 to June 30, 2025)

Details are omitted due to lack of material significance.

(Significant subsequent events)

There are no applicable matters.