

Consolidated Financial Results

First Three Quarters of the Fiscal Year Ending March 31, 2024

(April 1, 2023–December 31, 2023)

February 8, 2024

DAIFUKU CO., LTD.



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Fiscal 2023 3Qs results

| (Billion yen) | | YoY |
|------------------|-------|------------------|
| Orders received | 448.1 | -151.6 -25.3% |
| Net sales | 437.3 | +1.7 +0.4% |
| Operating income | 37.0 | -3.0 -7.7% |
| Operating margin | 8.5% | -0.7pt |

- ✓ Orders received were largely in line with plans, despite the absence of the large increase in orders received in the previous fiscal year due to the impact of foreign exchange rates, and despite a decrease in orders associated mainly with a reactionary fall in cleanroom systems from the orders received ahead of schedule in the previous fiscal year.
- ✓ Sales reached a new record high for the first three quarters of the fiscal year, with strong sales in automotive systems and airport systems, benefiting from accelerating investments in the shift to electric vehicles and a recovery in the number of air passengers, although sales of intralogistics systems and cleanroom systems fell short of the results of a year ago.
- ✓ Operating income exceeded the plan, backed by improved profitability in intralogistics systems in North America mainly due to progress in passing on higher costs associated with soaring raw material and labor costs to prices, as well as increased sales and profitability of automotive systems.

Fiscal 2023 forecast

| (Billion yen) | | YoY | Change from Nov. 2023 |
|---|-------|------------------|--------------------------|
| Orders received | 630.0 | -107.4 -14.6% | — |
| Net sales | 605.0 | +3.0 +0.5% | — |
| Operating income | 57.0 | -1.8 -3.2% | +2.5 |
| Operating margin | 9.4% | -0.4pt | +0.4pt |
| Net income attributable to shareholders of the parent company | 41.5 | +0.2 +0.6% | +0.1 |

- ✓ The full-year income forecast has been revised upward based on the results for the first three quarters exceeding the plan and the outlook for the fourth quarter, despite the impact of one-time costs in some projects in Oceania.
- ✓ Net sales and net income attributable to shareholders of the parent company are expected to reach new record highs.

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Financial Results



Fiscal 2023 3Qs Results (April 1, 2023–December 31, 2023)

| (Billion yen) | FY2022 3Qs | FY2023 3Qs | YoY change | | FY2023 forecast | | FY2022 |
|---|------------|------------|------------|--------|------------------------|-------------------------|--------|
| | | | Amount | Rate | Announced in Nov. 2023 | Revised on Feb. 8, 2024 | |
| Orders received | 599.8 | 448.1 | -151.6 | -25.3% | 630.0 | 630.0 | 737.4 |
| Net sales | 435.6 | 437.3 | +1.7 | +0.4% | 605.0 | 605.0 | 601.9 |
| Operating income | 40.1 | 37.0 | -3.0 | -7.7% | 54.5 | 57.0 | 58.8 |
| Operating margin | 9.2% | 8.5% | -0.7pt | – | 9.0% | 9.4% | 9.8% |
| Ordinary income | 40.7 | 39.2 | -1.4 | -3.5% | 55.5 | 59.5 | 59.7 |
| Net income attributable to shareholders of the parent company | 28.7 | 27.4 | -1.3 | -4.6% | 40.5 | 41.5 | 41.2 |
| Net income per share* (yen) | 76.08 | 73.22 | -2.86 | -3.8% | 108.36 | 111.03 | 109.11 |

| Exchange rate (yen) | FY2022 Q3 | FY2023 Q3 |
|---------------------|-----------|-----------|
| US dollar | 129.48 | 139.56 |
| Chinese yuan | 19.46 | 19.72 |
| Korean won | 0.1011 | 0.1067 |

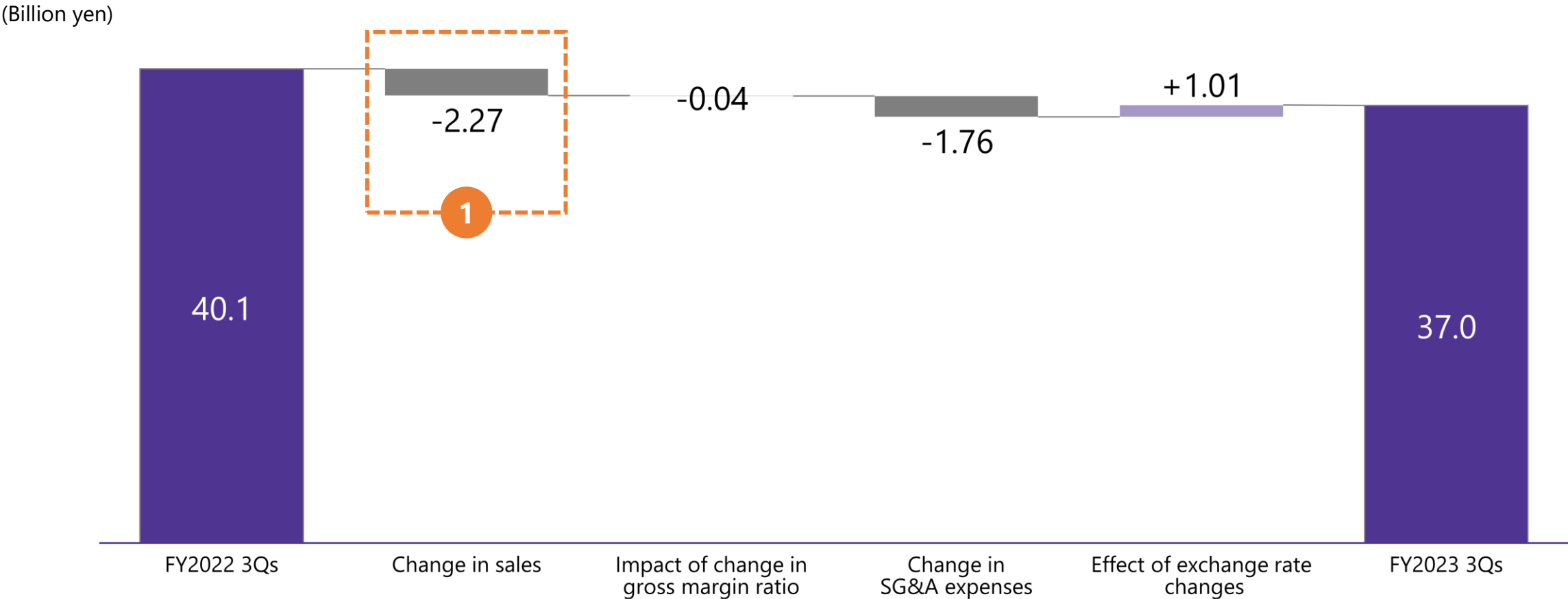
Effect of exchange rate changes

| | | | |
|--|---------------|------------------|----------------|
| Orders received | -¥3.5 billion | Net sales | +¥14.4 billion |
| Orders received during the period: +¥14.6 billion | | | |
| Change in order backlog at the end of the previous fiscal year: -¥18.2 billion | | Operating income | +¥1.0 billion |

*The Company conducted a three-for-one split of its common stock effective April 1, 2023. Net income per share is calculated assuming that the stock split had been conducted at the beginning of the fiscal year ended March 31, 2023.

Factors for Change in Operating Income

1 Net sales increased by ¥1.7 billion; however, if the ¥14.4 billion increase in sales due to exchange rate fluctuations is deducted, sales would have decreased.



Results by Reportable Segment

1 Daifuku

Orders declined for intralogistics systems and for cleanroom systems, the latter having seen a significant increase in orders during the previous fiscal year due to advance orders and foreign exchange effects. Sales declined in both intralogistics systems and cleanroom systems.

2 Daifuku North America

Sales were driven by automotive systems and airport systems. Segment income was driven by the increased profitability of intralogistics systems and by the increased sales and profitability of automotive systems.

1

2

| (Billion yen) | Orders received (Orders from external customers) | | | Net sales (Sales to external customers) | | | Segment income (Net income attributable to shareholders of the parent company) | | |
|--|---|------------|------------|--|------------|------------|---|------------|------------|
| | FY2022 3Qs | FY2023 3Qs | YoY change | FY2022 3Qs | FY2023 3Qs | YoY change | FY2022 3Qs | FY2023 3Qs | YoY change |
| Daifuku | 241.9 | 160.5 | -81.4 | 177.5 | 164.8 | -12.6 | 18.5 | 19.0 | +0.5 |
| Contec | 15.1 | 15.3 | +0.1 | 13.2 | 13.8 | +0.5 | 0.4 | 0.2 | -0.2 |
| Daifuku North America | 168.3 | 147.0 | -21.3 | 112.2 | 132.3 | +20.0 | 5.4 | 9.7 | +4.3 |
| Clean Factomation | 40.2 | 16.5 | -23.6 | 32.0 | 22.4 | -9.5 | 2.7 | 1.2 | -1.5 |
| Other | 134.1 | 108.7 | -25.3 | 100.5 | 104.5 | +4.0 | 4.5 | 1.9 | -2.5 |
| Elimination of dividends from affiliates | — | — | — | — | — | — | -2.6 | -5.8 | -3.1 |
| Other adjustments for consolidation | — | — | — | 0.1 | -0.7 | -0.8 | -0.3 | 0.9 | +1.2 |
| Total | 599.8 | 448.1 | -151.6 | 435.6 | 437.3 | +1.7 | 28.7 | 27.4 | -1.3 |

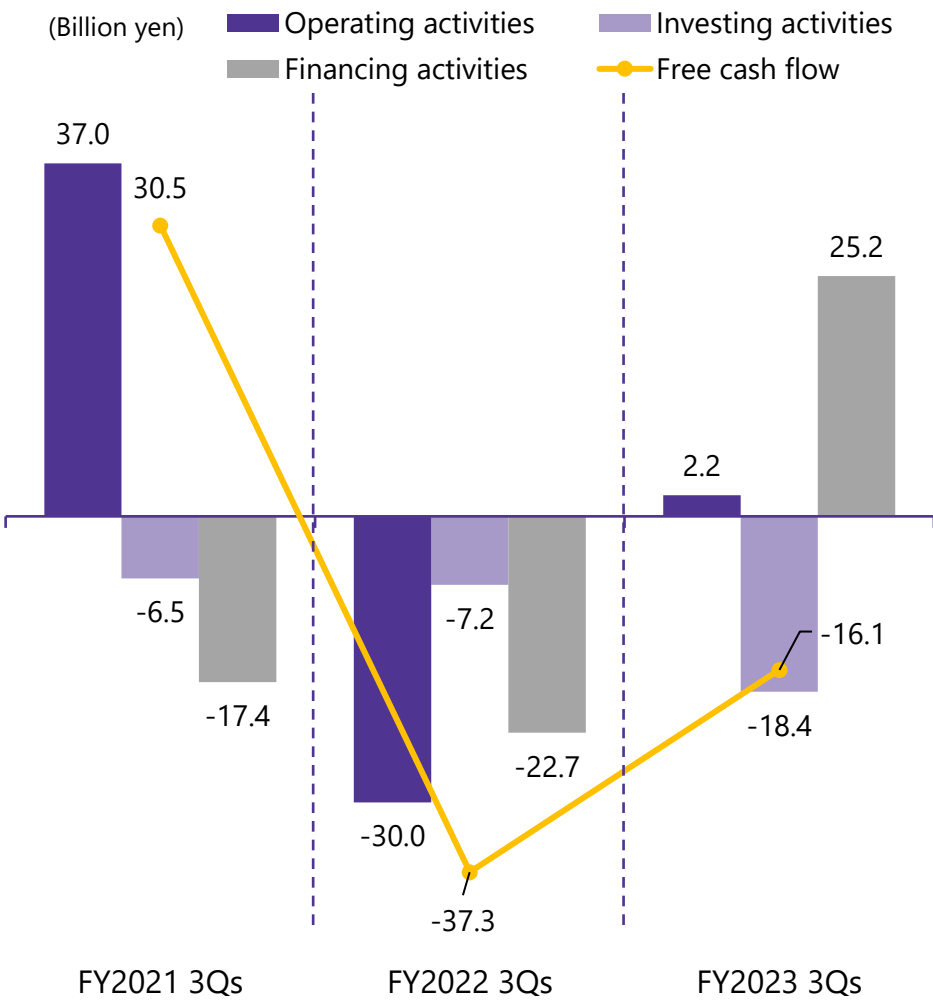
Consolidated Balance Sheets

| (Billion yen) | Mar. 31, 2023 | Dec. 31, 2023 | Change |
|-------------------------------|---------------|---------------|--------|
| Current assets | 433.1 | 492.6 | +59.4 |
| Cash on hand and in banks | 102.7 | 119.3 | +16.5 |
| Notes and accounts receivable | 250.0 | 275.4 | +25.4 |
| Inventories | 66.0 | 76.9 | +10.8 |
| Other | 14.2 | 20.8 | +6.6 |
| Non-current assets | 118.4 | 147.7 | +29.3 |
| Property, plant and equipment | 65.0 | 77.3 | +12.3 |
| Intangible assets | 11.4 | 10.9 | -0.5 |
| Investments and other assets | 41.9 | 59.4 | +17.5 |
| Total assets | 551.5 | 640.3 | +88.8 |

| (Billion yen) | Mar. 31, 2023 | Dec. 31, 2023 | Change |
|----------------------------------|---------------|---------------|--------|
| Current liabilities | 202.8 | 220.9 | +18.1 |
| Notes and accounts payable | 94.0 | 85.0 | -9.0 |
| Contract liabilities | 63.9 | 83.5 | +19.6 |
| Other | 44.8 | 52.3 | +7.4 |
| Non-current liabilities | 16.4 | 77.6 | +61.1 |
| Total Liabilities | 219.2 | 298.5 | +79.3 |
| Shareholders' equity | 308.2 | 301.7 | -6.5 |
| Total net assets | 332.3 | 341.8 | +9.4 |
| Total liabilities and net assets | 551.5 | 640.3 | +88.8 |

Consolidated Statements of Cash Flows

| (Billion yen) | FY2022 3Qs | FY2023 3Qs | YoY change |
|--|------------|------------|------------|
| Cash flows from operating activities | -30.0 | 2.2 | +32.3 |
| Cash flows from investing activities | -7.2 | -18.4 | -11.1 |
| Free cash flows | -37.3 | -16.1 | +21.1 |
| Cash flows from financing activities | -22.7 | 25.2 | +48.0 |
| Cash and cash equivalents at end of period | 68.4 | 117.9 | +49.4 |



Orders and Sales by Destination

- 1

Japan
Orders for intralogistics systems and cleanroom systems fell short of the strong results recorded in the same period of the previous fiscal year.
- 3

China
Orders and sales were driven by cleanroom systems for the semiconductor sector.

- 2

North America
Sales were driven by automotive systems and airport systems.
- 4

South Korea, Taiwan
Orders and sales fell from the year-ago results, which were bolstered by brisk investment from semiconductor manufacturers.

| (Billion yen) | | Orders | | | | | Sales | | | | |
|---------------|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Region | | FY2022 3Qs | | FY2023 3Qs | | YoY change | FY2022 3Qs | | FY2023 3Qs | | YoY change |
| | | | % of total | | % of total | | | % of total | | % of total | |
| 1 | Japan | 187.0 | 31.1% | 126.3 | 28.2% | -60.7 | 144.1 | 33.1% | 140.5 | 32.1% | -3.6 |
| | Non-Japan | 412.8 | 68.9% | 321.8 | 71.8% | -90.9 | 291.4 | 66.9% | 297.5 | 67.9% | +6.1 |
| 2 | North America | 158.0 | 26.3% | 166.4 | 37.1% | +8.4 | 109.5 | 25.2% | 135.9 | 31.0% | +26.4 |
| | Asia | 217.9 | 36.4% | 129.7 | 29.0% | -88.2 | 153.9 | 35.3% | 124.5 | 28.4% | -29.4 |
| 3 | China | 77.6 | 13.0% | 85.2 | 19.0% | +7.5 | 44.0 | 10.1% | 54.4 | 12.4% | +10.4 |
| | South Korea | 51.8 | 8.6% | 20.4 | 4.6% | -31.3 | 46.2 | 10.6% | 27.5 | 6.3% | -18.7 |
| 4 | Taiwan | 61.6 | 10.3% | 6.5 | 1.5% | -55.0 | 45.0 | 10.3% | 22.8 | 5.2% | -22.1 |
| | Other Asia | 26.8 | 4.5% | 17.4 | 3.9% | -9.4 | 18.6 | 4.3% | 19.7 | 4.5% | +1.0 |
| | Europe | 13.1 | 2.2% | 14.4 | 3.2% | +1.3 | 12.3 | 2.8% | 13.2 | 3.0% | +0.9 |
| | Latin America | 8.1 | 1.4% | 4.6 | 1.0% | -3.5 | 3.3 | 0.8% | 8.6 | 2.0% | +5.2 |
| | Other | 15.5 | 2.6% | 6.6 | 1.5% | -8.9 | 12.2 | 2.8% | 15.1 | 3.5% | +2.8 |
| | Subtotal | - | - | - | - | - | 435.5 | 100.0% | 438.0 | 100.0% | +2.5 |
| | Consolidated adjustment and other | - | - | - | - | - | 0.1 | - | -0.7 | - | -0.8 |
| | Total | 599.8 | 100.0% | 448.1 | 100.0% | -151.6 | 435.6 | - | 437.3 | - | +1.7 |

Orders and Sales by Industry

1 Automobile, auto parts, airport
Sales were favorable, underpinned by an extensive order backlog in North America.

3 Commerce, retail
Orders declined from the year-ago results, as e-commerce-related investments in Japan experience a temporary lull.

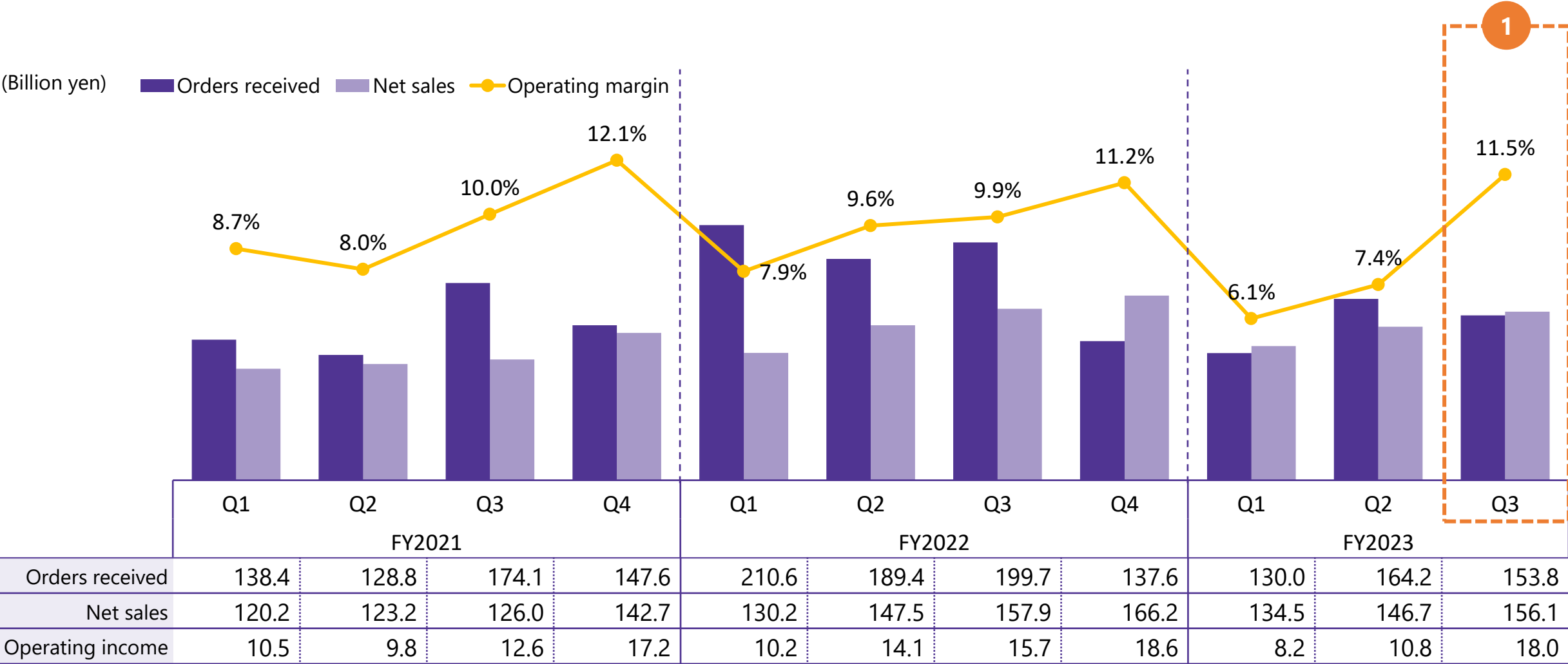
2 Electronics
Orders declined, given a reactionary fall in cleanroom systems attributable to orders received ahead of schedule in the previous fiscal year.

4 Food
Orders were received for large projects in North America.

| Industry | Orders | | | | | Sales | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | FY2022 3Qs | | FY2023 3Qs | | YoY change | FY2022 3Qs | | FY2023 3Qs | | YoY change |
| | | % of total | | % of total | | | % of total | | % of total | |
| Automobile, auto parts | 64.0 | 10.7% | 55.6 | 12.4% | -8.3 | 43.8 | 10.1% | 56.4 | 12.9% | +12.6 |
| Electronics | 239.9 | 40.0% | 138.6 | 30.9% | -101.2 | 159.3 | 36.6% | 144.2 | 32.9% | -15.0 |
| Commerce, retail | 163.8 | 27.3% | 105.2 | 23.5% | -58.6 | 120.8 | 27.7% | 110.8 | 25.3% | -9.9 |
| Transportation, warehousing | 18.2 | 3.1% | 19.7 | 4.4% | +1.4 | 22.6 | 5.2% | 16.4 | 3.8% | -6.2 |
| Machinery | 8.3 | 1.4% | 9.7 | 2.2% | +1.3 | 8.2 | 1.9% | 7.5 | 1.7% | -0.6 |
| Chemicals, pharmaceuticals | 26.1 | 4.4% | 19.8 | 4.4% | -6.2 | 16.0 | 3.7% | 18.2 | 4.2% | +2.2 |
| Food | 13.4 | 2.2% | 36.3 | 8.1% | +22.9 | 10.7 | 2.5% | 12.8 | 2.9% | +2.0 |
| Iron, steel, nonferrous metals | 3.6 | 0.6% | 5.1 | 1.1% | +1.4 | 3.3 | 0.8% | 3.9 | 0.9% | +0.5 |
| Precision equipment, printing, office equipment | 5.2 | 0.9% | 2.9 | 0.7% | -2.3 | 4.2 | 1.0% | 3.0 | 0.7% | -1.2 |
| Airport | 41.8 | 7.0% | 38.6 | 8.6% | -3.2 | 32.9 | 7.6% | 47.0 | 10.7% | +14.1 |
| Other | 15.1 | 2.4% | 16.3 | 3.7% | +1.2 | 13.3 | 2.9% | 17.2 | 4.0% | +3.8 |
| Subtotal | - | - | - | - | - | 435.5 | 100.0% | 438.0 | 100.0% | +2.5 |
| Consolidated adjustment and other | - | - | - | - | - | 0.1 | - | -0.7 | - | -0.8 |
| Total | 599.8 | 100.0% | 448.1 | 100.0% | -151.6 | 435.6 | - | 437.3 | - | +1.7 |

Quarterly Orders Received, Net Sales, and Operating Margin

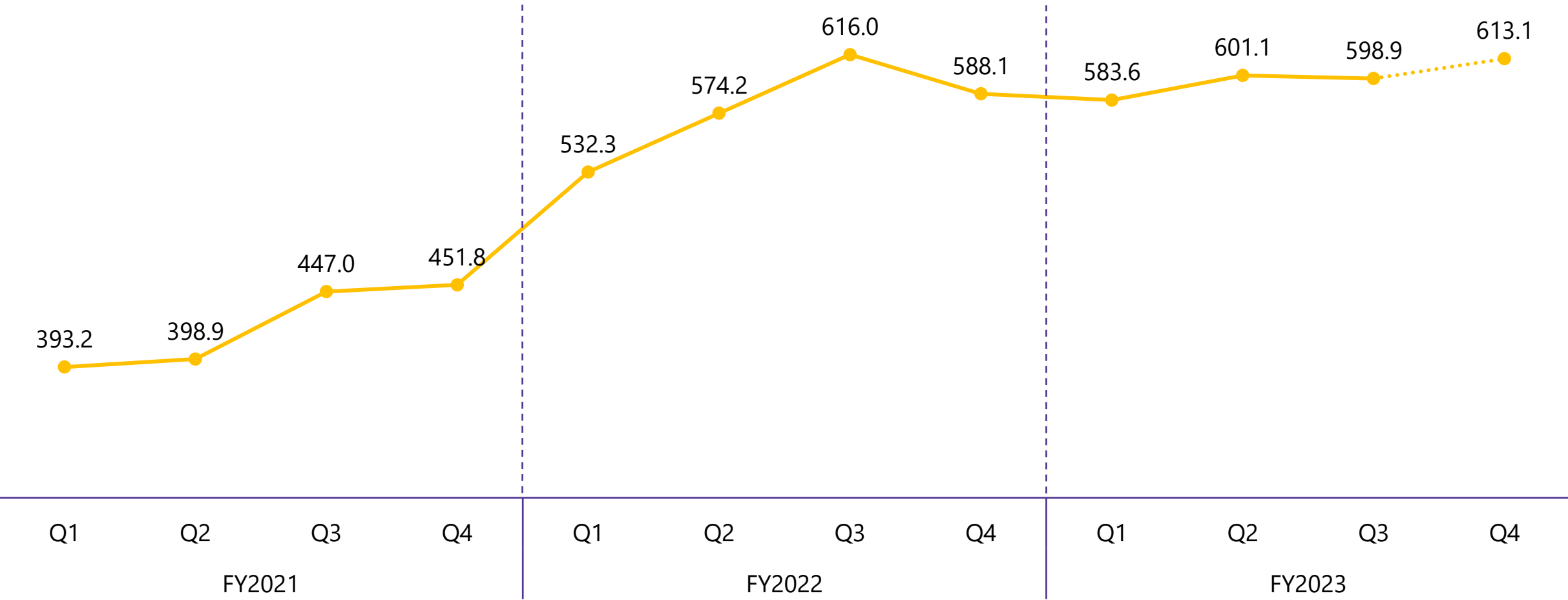
1 Profitability improved, mainly due to progress in passing on higher costs associated with soaring raw material and labor costs to prices in intralogistics systems in Japan and North America, progress on highly profitable projects of cleanroom systems, and increased sales of automotive systems.



Quarterly Order Backlogs

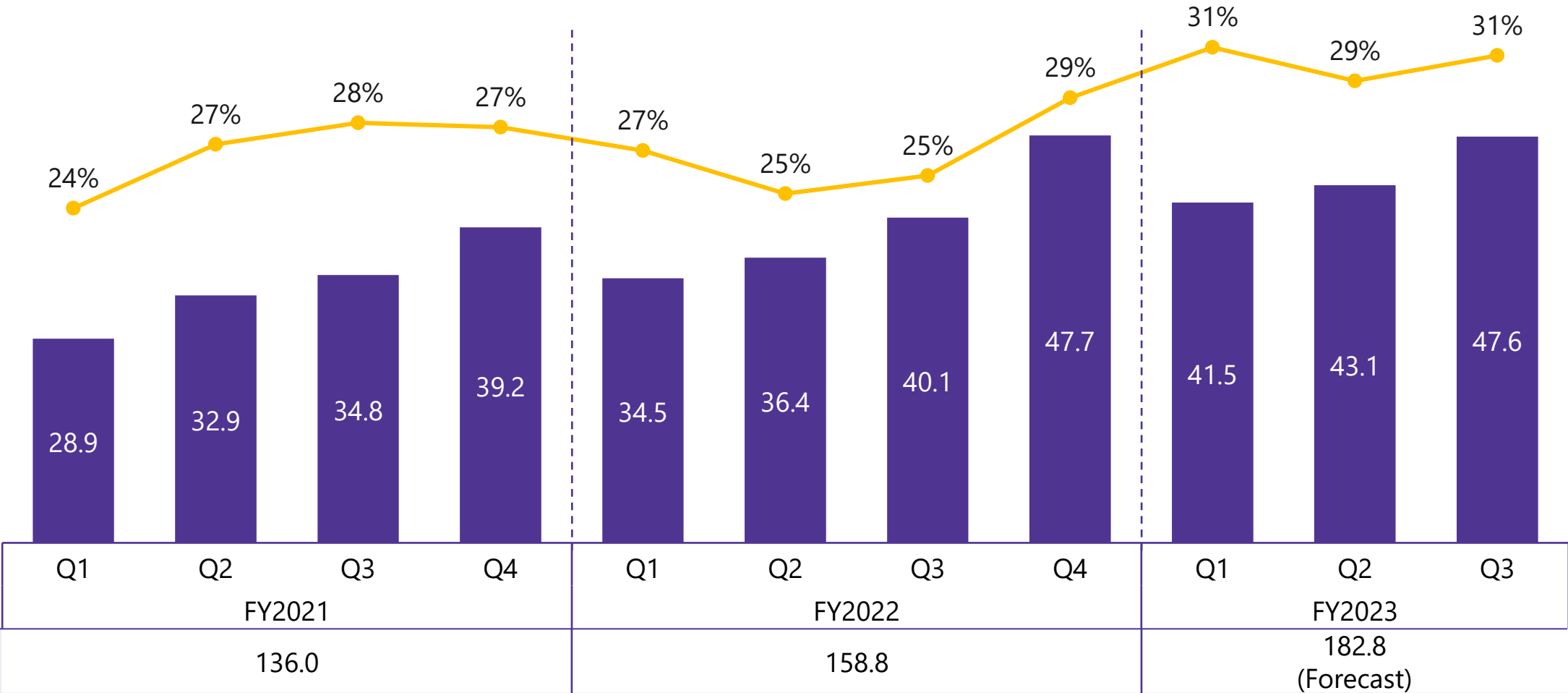
Order backlogs remain high, attributable to orders received ahead of schedule in the previous fiscal year.

(Billion yen)



Service sales saw steady growth, reaching ¥132.3 billion for the first three quarters of the current fiscal year.

(Billion yen) ■ Service sales ● Ratio to net sales



Quarterly Orders Received by Industry

| (Billion yen) | FY2021 | | | | FY2022 | | | | FY2023 | | | | |
|---|--------|-------|-------|-------|--------|-------|--------|-------|--------|-------|--------|------------|------------------|
| Industry | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 (a) | Q4 | Q1 | Q2 | Q3 (b) | % of total | YoY change (b-a) |
| Automobile, auto parts | 15.3 | 17.0 | 13.0 | 12.0 | 18.0 | 22.4 | 23.5 | 25.7 | 19.5 | 19.0 | 17.0 | 11.1% | -6.4 |
| Electronics | 44.9 | 41.6 | 75.3 | 71.5 | 98.4 | 87.2 | 54.2 | 31.4 | 40.6 | 58.2 | 39.7 | 25.8% | -14.4 |
| Commerce, retail | 40.1 | 43.5 | 47.3 | 25.9 | 50.3 | 34.1 | 79.3 | 24.0 | 22.2 | 27.1 | 55.7 | 36.2% | -23.5 |
| Transportation, warehousing | 12.5 | 4.2 | 8.7 | 5.0 | 5.4 | 6.2 | 6.5 | 10.5 | 6.8 | 6.3 | 6.4 | 4.2% | -0.1 |
| Machinery | 1.5 | 3.9 | 0.8 | 1.6 | 4.2 | 2.2 | 1.8 | 3.2 | 2.3 | 2.9 | 4.4 | 2.9% | +2.5 |
| Chemicals, pharmaceuticals | 4.3 | 5.8 | 5.3 | 6.6 | 11.4 | 8.9 | 5.6 | 6.9 | 8.0 | 6.7 | 5.0 | 3.3% | -0.6 |
| Food | 4.8 | 2.2 | 2.1 | 7.0 | 3.1 | 3.6 | 6.6 | 3.8 | 6.8 | 24.1 | 5.3 | 3.5% | -1.2 |
| Iron, steel, nonferrous metals | 1.6 | 0.9 | 0.9 | 1.6 | 1.5 | 0.9 | 1.1 | 1.7 | 2.2 | 1.3 | 1.5 | 1.0% | +0.4 |
| Precision equipment, printing, office equipment | 1.1 | 1.7 | 1.2 | 1.3 | 2.4 | 1.9 | 0.7 | 0.8 | 0.9 | 0.9 | 1.0 | 0.7% | +0.2 |
| Airport | 7.7 | 1.7 | 16.0 | 7.6 | 10.9 | 19.5 | 11.3 | 20.4 | 13.5 | 12.2 | 12.8 | 8.3% | +1.4 |
| Other | 3.9 | 5.8 | 3.2 | 7.0 | 4.5 | 1.8 | 8.6 | 8.6 | 6.7 | 5.0 | 4.5 | 3.0% | -4.0 |
| Total | 138.4 | 128.8 | 174.1 | 147.6 | 210.6 | 189.4 | 199.7 | 137.6 | 130.0 | 164.2 | 153.8 | 100.0% | -45.8 |

Quarterly Net Sales by industry

| (Billion yen) Industry | FY2021 | | | | FY2022 | | | | FY2023 | | | | |
|--|--------|-------|-------|-------|--------|-------|-----------|-------|--------|-------|-----------|------------|---------------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 (a) | Q4 | Q1 | Q2 | Q3 (b) | % of total | YoY change (b-a) |
| Automobile, auto parts | 13.7 | 13.9 | 15.0 | 16.2 | 11.5 | 14.7 | 17.5 | 21.6 | 16.1 | 19.1 | 21.1 | 13.4% | +3.5 |
| Electronics | 40.0 | 31.9 | 35.7 | 43.6 | 43.2 | 52.6 | 63.4 | 56.4 | 44.9 | 48.5 | 50.8 | 32.2% | -12.6 |
| Commerce, retail | 37.2 | 40.9 | 34.1 | 42.7 | 41.6 | 40.4 | 38.7 | 40.0 | 36.2 | 36.0 | 38.5 | 24.4% | -0.1 |
| Transportation, warehousing | 6.0 | 7.8 | 9.0 | 9.9 | 8.2 | 7.7 | 6.6 | 7.7 | 4.8 | 4.9 | 6.6 | 4.2% | +0.0 |
| Machinery | 2.0 | 2.4 | 3.1 | 3.8 | 2.9 | 3.0 | 2.1 | 2.1 | 2.0 | 2.5 | 2.9 | 1.9% | +0.7 |
| Chemicals, pharmaceuticals | 3.9 | 3.8 | 4.0 | 5.8 | 4.2 | 5.7 | 6.0 | 8.6 | 6.1 | 5.9 | 6.1 | 3.9% | +0.1 |
| Food | 3.0 | 6.5 | 4.7 | 5.7 | 3.1 | 3.3 | 4.2 | 5.0 | 2.8 | 4.6 | 5.2 | 3.3% | +1.0 |
| Iron, steel, nonferrous metals | 0.5 | 0.9 | 0.8 | 1.2 | 0.7 | 1.1 | 1.4 | 1.4 | 1.2 | 1.4 | 1.1 | 0.8% | -0.2 |
| Precision equipment, printing, office equipment | 1.5 | 1.4 | 1.4 | 1.7 | 1.1 | 1.6 | 1.5 | 2.1 | 1.1 | 0.8 | 1.1 | 0.7% | -0.4 |
| Airport | 9.5 | 9.9 | 14.2 | 10.0 | 9.1 | 11.3 | 12.4 | 13.2 | 14.2 | 16.0 | 16.7 | 10.6% | +4.3 |
| Other | 2.8 | 3.3 | 4.0 | 3.3 | 4.3 | 4.8 | 4.2 | 5.7 | 4.9 | 5.0 | 7.2 | 4.6% | +3.0 |
| Subtotal | 120.7 | 123.2 | 126.3 | 144.4 | 130.3 | 146.7 | 158.4 | 164.2 | 134.9 | 145.1 | 157.9 | 100.0% | -0.4 |
| Consolidated adjustment and other | -0.5 | -0.0 | -0.3 | -1.6 | -0.1 | 0.7 | -0.5 | 1.9 | -0.4 | 1.5 | -1.8 | - | -1.3 |
| Total | 120.2 | 123.2 | 126.0 | 142.7 | 130.2 | 147.5 | 157.9 | 166.2 | 134.5 | 146.7 | 156.1 | - | -1.7 |

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Topics



Second high-rise testing facility built at Shiga Works

Daifuku has started operational testing of its newest high-speed, high-rise automated warehouse stacker cranes in its new high-rise testing facility at its core production site, Shiga Works.

In 2006, the Company's Intralogistics business constructed its first high-rise testing facility at Shiga Works, where it has been developing and testing stacker cranes up to 30 meters in height. The second facility has been built to provide the necessary overhead space for testing of the Company's latest 40-meter-class stacker cranes.

New high-rise testing facility outline

| | |
|--------------------|--|
| Location | 1225 Nakazaiji, Hino-cho, Gamo-gun, Shiga, Japan (Shiga Works) |
| Area | Approx. 1,300 m ² (Approx. 83 m by 15.5 m) |
| Height | Approx. 52 m |
| Investment amount | Approx. 1.4 billion yen |
| Start of operation | November 2023 |



CO₂ reduction targets receive SBTi approval

The CO₂ emissions reduction targets established in the Daifuku Environmental Vision 2050 have been recognized as near-term science-based targets in accordance with the Paris Agreement and have received official approval from the Science Based Targets initiative (SBTi)*1.



The Daifuku Environmental Vision 2050 (revised in May 2023) identifies addressing climate change as one of our crucial issue areas, and we are taking initiatives such as introducing renewable energy at each of our locations and reducing CO₂ emissions associated with procurement and the operation of our products.

CO₂ emission reduction targets established in the Daifuku Environmental Vision 2050

| KPIs (Key Performance Indicators) | Targets for 2030 |
|--|---|
| Daifuku CO ₂ emissions (Scopes 1+2) | 50.4% reduction compared to FY2018 (1.5°C aligned) |
| CO ₂ emissions from purchased goods and services (Scope 3 Category 1) | 30% reduction*2 compared to FY2018 (well-below 2°C aligned) |
| CO ₂ emissions from the use of sold products (Scope 3 Category 11) | |

Related Information

Daifuku Environmental Vision 2050
www.daifuku.com/sustainability/environment/management/#sec02

The Daifuku Group’s initiatives regarding climate change
www.daifuku.com/sustainability/environment/climate-change

Science Based Targets initiative website
sciencebasedtargets.org

*1 The Science Based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). Approval is awarded to companies that are recognized as having set science-based targets in alignment with the criteria established by the Paris Agreement.

*2 Scope 3 Category 1 and Category 11 combined target.



Cautionary Statement with Respect to Forward-Looking Statements

The strategies, beliefs and plans related to future business performance as described in this document are not established facts. They are business prospects based on the assumptions and beliefs of the management team judging from the most current information, and therefore, these prospects are subject to potential risks and uncertainties. Due to various crucial factors, actual results may differ materially from these forward-looking statements. These crucial factors that may adversely affect performance include 1) consumer trends and economic conditions in the Daifuku Group's operating environment; 2) the effect of yen exchange rates on sales, assets and liabilities denominated in U.S. dollars and other currencies; 3) the tightening of laws and regulations regarding safety and other matters that may lead to higher costs or sales restrictions; and 4) the impact of natural disasters and intentional threats, war, acts of terrorism, strikes, and plagues. Moreover, there are other factors that may adversely affect the Group's performance.