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September 12, 2024

## Non-consolidated Financial Results for the Nine Months Ended July 31, 2024 (Under Japanese GAAP)



Company name: CellSource Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4880  
 URL: <https://www.cellsource.co.jp/>  
 Representative: Takashi Sawada, Representative Director and CEO  
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 Telephone: +81-3-6455-5308  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for investors and analysts)

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

### 1. Non-consolidated Financial Results for the Nine Months Ended July 31, 2024 (from November 1, 2023 to July 31, 2024)

#### (1) Operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
July 31, 2024	3,341	(1.9)	388	(62.8)	495	(52.3)	374	(44.6)
July 31, 2023	3,406	18.6	1,043	11.1	1,039	9.8	675	14.6

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
July 31, 2024	18.90	18.80
July 31, 2023	35.99	35.14

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
July 31, 2024	6,864	6,170	89.2
October 31, 2023	6,879	6,201	89.4

Reference: Equity

As of July 31, 2024: 6,121 million of yen  
 As of October 31, 2023: 6,150 million of yen

## 2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended October 31, 2023	—	0.00	—	20.00	20.00
Fiscal year ending October 31, 2024	—	0.00	—		
Fiscal year ending October 31, 2024 (Forecast)				5.00	5.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Non-consolidated Financial Result Forecasts for the Fiscal Year Ending October 31, 2024 (from November 1, 2023 to October 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	4,374	(3.0)	420	(65.6)	527	(55.8)	417	(54.7)	21.11

Note: Revisions to the financial result forecast most recently announced: Yes

\* **Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

(2) 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 reasons other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of July 31, 2024	19,806,100 shares
As of October 31, 2023	19,761,100 shares

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

As of July 31, 2024	580 shares
As of October 31, 2023	575 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended July 31, 2024	19,800,825 shares
Nine months ended July 31, 2023	18,756,859 shares

\* Review of the Japanese-language originals of the attached quarterly non-consolidated financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts and other special matters  
(Cautionary note on forward-looking statements, etc.)

The earnings forecasts and forward-looking statements described herein are based on information currently available to the Company and certain assumptions deemed reasonable, and are not intended to be a promise by the Company to achieve them. As such, actual results may differ significantly from these forecasts due to a wide range of factors.

(Method of obtaining the supplementary material on financial results and details of the financial results briefing)  
The Company plans to hold a briefing online for investors and analysts on Thursday, September 12, 2024.

## 2. Quarterly Non-consolidated Financial Statements and Principal Notes

### (1) Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

	As of October 31, 2023	As of July 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	4,781,022	4,389,895
Accounts receivable - trade	364,279	433,537
Merchandise and finished goods	153,453	100,035
Work in process	38,196	40,373
Raw materials and supplies	114,276	111,701
Other	140,739	124,295
Allowance for doubtful accounts	(2,787)	(2,632)
Total current assets	5,589,181	5,197,206
Non-current assets		
Property, plant and equipment	658,740	1,018,588
Intangible assets	19,809	54,266
Investments and other assets		
Other	612,169	594,911
Allowance for doubtful accounts	(165)	(165)
Total investments and other assets	612,004	594,746
Total non-current assets	1,290,555	1,667,601
Total assets	6,879,736	6,864,808
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	75,463	84,814
Income taxes payable	42,773	29,449
Provision for bonuses	40,012	32,574
Provision for bonuses for directors (and other officers)	–	3,000
Provision for loss on orders received	2,814	2,465
Other provisions	–	4,215
Other	291,091	325,805
Total current liabilities	452,156	482,324
Non-current liabilities		
Asset retirement obligations	148,289	148,289
Provision for bonuses	–	1,806
Other	77,291	61,892
Total non-current liabilities	225,581	211,988
Total liabilities	677,737	694,313
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,425,397	1,426,474
Capital surplus	1,335,397	1,336,474
Retained earnings	3,377,319	3,356,317
Treasury shares	(1,696)	(1,703)
Total shareholders' equity	6,136,418	6,117,562
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	14,034	4,157
Total valuation and translation adjustments	14,034	4,157
Share acquisition rights	51,546	48,775
Total net assets	6,201,999	6,170,495
Total liabilities and net assets	6,879,736	6,864,808

(2) Quarterly Non-consolidated Statements of Income  
 Nine Months Ended July 31

(Thousands of yen)

	For the nine months ended July 31, 2023	For the nine months ended July 31, 2024
Net sales	3,406,128	3,341,383
Cost of sales	974,814	1,221,503
Gross profit	2,431,314	2,119,880
Selling, general and administrative expenses	1,388,100	1,731,753
Operating profit	1,043,213	388,126
Non-operating income		
Interest income	7	2
Subsidy income	–	111,510
Gain on sale of non-current assets	–	4,359
Miscellaneous income	10,473	5,893
Total non-operating income	10,481	121,766
Non-operating expenses		
Interest expenses	–	1,051
Foreign exchange losses	8,788	2,258
Loss on investments in investment partnerships	2,017	3,046
Loss on cancellation of rental contracts	–	1,594
Compensation expenses	1,778	5,884
Other	1,831	384
Total non-operating expenses	14,415	14,218
Ordinary profit	1,039,279	495,674
Extraordinary income		
Gain on sale of investment securities	34,816	46,540
Gain on reversal of share acquisition rights	8,552	7,149
Other	1,931	–
Total extraordinary income	45,299	53,689
Profit before income taxes	1,084,578	549,363
Income taxes - current	396,383	173,239
Income taxes - deferred	13,057	1,915
Total income taxes	409,440	175,154
Profit	675,138	374,208