

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended February 29, 2024 (Based on Japanese GAAP)

April 3, 2024

Company name: KANEKO SEEDS CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 1376 URL <https://www.kanekoseeds.jp>  
 Representative: PRESIDENT MASAHIKO KANEKO  
 Inquiries: SENIOR MANAGING DIRECTOR HEAD HIROKATSU HASE TEL 027-251-1619  
 OF GENERAL ADMINISTRATION  
 Scheduled date to file Quarterly Securities Report: April 12, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended February 29, 2024 (from June 1, 2023 to February 29, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended February 29, 2024	38,374	(2.6)	328	(41.8)	436	(36.0)	259	(48.0)
Nine months ended February 28, 2023	39,398	5.4	564	51.4	682	43.8	497	73.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended February 29, 2024	22.66		–	
Nine months ended February 28, 2023	43.06		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 29, 2024	42,232	23,315	55.2	2,059.67
As of May 31, 2023	46,707	23,513	50.3	2,053.62

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended May 31, 2023	–	11.00	–	20.00	31.00
Year ending May 31, 2024	–	11.00	–		
Year ending May 31, 2024 (Forecast)				20.00	31.00

3. Forecast of consolidated financial results for the year ending May 31, 2024 (from June 1, 2023 to May 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	64,000	2.9	1,850	3.6	2,000	4.5	1,450	1.7	126.64

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended February 29, 2024  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of February 29, 2024	11,772,626 shares	As of May 31, 2023	11,772,626 shares
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Number of treasury shares at the end of the period

As of February 29, 2024	452,890 shares	As of May 31, 2023	322,818 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended February 29, 2024	11,431,715 shares	Nine months ended February 28, 2023	11,561,031 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of May 31, 2023	As of February 29, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	2,448,185	3,348,020
Notes and accounts receivable - trade	20,720,127	13,636,390
Electronically recorded monetary claims - operating	388,356	730,563
Merchandise	10,231,778	11,774,503
Accounts receivable - other	2,182,034	1,163,077
Other	271,469	904,341
Allowance for doubtful accounts	(20,996)	(13,992)
Total current assets	36,220,954	31,542,904
Non-current assets		
Property, plant and equipment		
Land	3,999,060	4,231,587
Other, net	2,785,940	2,826,023
Total property, plant and equipment	6,785,000	7,057,610
Intangible assets	720,780	594,431
Investments and other assets		
Other	3,000,461	3,060,258
Allowance for doubtful accounts	(19,321)	(22,650)
Total investments and other assets	2,981,139	3,037,608
Total non-current assets	10,486,921	10,689,650
Total assets	46,707,875	42,232,555
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	19,448,024	14,814,864
Short-term borrowings	–	1,080,000
Income taxes payable	306,191	4,990
Other	1,813,531	1,403,431
Total current liabilities	21,567,747	17,303,286
Non-current liabilities		
Retirement benefit liability	1,265,239	1,253,602
Provision for share awards for directors (and other officers)	65,563	82,663
Other	295,492	277,736
Total non-current liabilities	1,626,295	1,614,001
Total liabilities	23,194,042	18,917,288

(Thousands of yen)

	As of May 31, 2023	As of February 29, 2024
Net assets		
Shareholders' equity		
Share capital	1,491,267	1,491,267
Capital surplus	1,765,224	1,765,224
Retained earnings	19,721,047	19,623,039
Treasury shares	(477,057)	(665,024)
Total shareholders' equity	22,500,481	22,214,506
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	956,629	1,021,573
Foreign currency translation adjustment	2,373	18,118
Remeasurements of defined benefit plans	54,087	60,777
Total accumulated other comprehensive income	1,013,089	1,100,469
Non-controlling interests	262	291
Total net assets	23,513,832	23,315,267
Total liabilities and net assets	46,707,875	42,232,555

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended February 28, 2023	Nine months ended February 29, 2024
Net sales	39,398,015	38,374,569
Cost of sales	33,296,456	32,320,256
Gross profit	6,101,558	6,054,312
Selling, general and administrative expenses	5,536,857	5,725,715
Operating profit	564,700	328,597
Non-operating income		
Dividend income	47,589	56,253
Rental income from buildings	51,052	53,232
Foreign exchange gains	7,077	–
Other	22,870	18,780
Total non-operating income	128,590	128,267
Non-operating expenses		
Interest expenses	9,026	11,179
Foreign exchange losses	–	6,678
Other	1,365	2,233
Total non-operating expenses	10,392	20,091
Ordinary profit	682,898	436,773
Extraordinary income		
Gain on sale of non-current assets	261	–
Total extraordinary income	261	–
Extraordinary losses		
Loss on disposal of non-current assets	4,722	1,593
Loss on sale of non-current assets	2,250	–
Impairment losses	–	51,665
Total extraordinary losses	6,973	53,258
Profit before income taxes	676,187	383,514
Income taxes	178,364	124,485
Profit	497,822	259,029
Profit attributable to non-controlling interests	32	29
Profit attributable to owners of parent	497,790	259,000

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended February 28, 2023	Nine months ended February 29, 2024
Profit	497,822	259,029
Other comprehensive income		
Valuation difference on available-for-sale securities	(46,265)	64,944
Foreign currency translation adjustment	3,235	15,745
Remeasurements of defined benefit plans, net of tax	4,830	6,690
Total other comprehensive income	(38,199)	87,380
Comprehensive income	459,622	346,409
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	459,587	346,369
Comprehensive income attributable to non-controlling interests	34	40