

Translation

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Summary of Consolidated Financial Results for the Three Months Ended May 31, 2024 (Based on Japanese GAAP)

June 28, 2024

Company name: PICKLES HOLDINGS CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 2935 URL <https://www.pickles-hd.co.jp>
 Representative: President and Representative Director Naoji Kageyama
 Managing Director and
 Inquiries: General Manager, Accounting and Finance Toru Mishina TEL 04-2931-0777
 Division
 Scheduled date to file Quarterly Securities Report: July 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 three months ended May 31, 2024 (from March 1, 2024 to May 31, 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	%
Three months ended May 31, 2024	10,812	(5.9)	504	(32.9)	520	(34.0)	362	(31.1)
Three months ended May 31, 2023	11,485	–	751	–	789	–	526	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended May 31, 2024	29.14		28.31	
Three months ended May 31, 2023	41.94		41.07	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of May 31, 2024	28,976	18,347	62.0
As of February 29, 2024	27,713	18,254	64.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended February 29, 2024	–	0.00	–	24.00	24.00
Year ending February 28, 2025	–	–	–	–	–
Year ending February 28, 2025 (Forecast)	–	12.00	–	12.00	24.00

3. Forecast of consolidated financial results for the year ending February 28, 2025 (from March 1, 2024 to February 28, 2025)

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
Six months ending August 31, 2024	22,830	(1.2)	1,325	3.5	1,364	0.7	914	(0.1)	73.49
Full year	43,500	1.1	1,700	1.9	1,780	0.5	1,200	2.1	96.49

4. Notes

- (1) Changes in significant subsidiaries during the three months ended May 31, 2024
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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 May 31, 2024	12,858,430 shares	As of February 29, 2024	12,858,430 shares
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Number of treasury shares at the end of the period

As of May 31, 2024	421,400 shares	As of February 29, 2024	421,400 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2024	12,437,030 shares	Three months ended May 31, 2023	12,549,158 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 29, 2024	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	7,754	8,155
Notes and accounts receivable - trade	4,119	4,783
Merchandise and finished goods	380	445
Work in process	66	79
Raw materials and supplies	216	237
Other	85	94
Total current assets	12,622	13,796
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,691	4,602
Machinery, equipment and vehicles, net	1,564	1,507
Land	6,527	6,527
Leased assets, net	32	49
Construction in progress	478	725
Other, net	143	134
Total property, plant and equipment	13,436	13,547
Intangible assets		
Goodwill	206	181
Other	120	111
Total intangible assets	326	292
Investments and other assets		
Investment securities	677	695
Deferred tax assets	571	566
Other	78	78
Total investments and other assets	1,327	1,340
Total non-current assets	15,091	15,180
Total assets	27,713	28,976

(Millions of yen)

	As of February 29, 2024	As of May 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	2,892	3,609
Short-term borrowings	1,100	1,100
Current portion of long-term borrowings	400	557
Lease liabilities	5	7
Income taxes payable	449	168
Provision for bonuses	163	61
Provision for bonuses for directors (and other officers)	19	–
Other	1,636	2,003
Total current liabilities	6,668	7,507
Non-current liabilities		
Long-term borrowings	1,628	1,921
Lease liabilities	6	24
Deferred tax liabilities	17	17
Retirement benefit liability	818	838
Other	321	320
Total non-current liabilities	2,791	3,122
Total liabilities	9,459	10,629
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	2,803	2,803
Retained earnings	15,315	15,379
Treasury shares	(499)	(499)
Total shareholders' equity	17,719	17,783
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	172	178
Remeasurements of defined benefit plans	(2)	(2)
Total accumulated other comprehensive income	170	176
Share acquisition rights	352	375
Non-controlling interests	11	11
Total net assets	18,254	18,347
Total liabilities and net assets	27,713	28,976

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended May 31, 2023	Three months ended May 31, 2024
Net sales	11,485	10,812
Cost of sales	8,985	8,559
Gross profit	2,499	2,252
Selling, general and administrative expenses	1,748	1,748
Operating profit	751	504
Non-operating income		
Interest income	0	0
Dividend income	0	0
Amortization of negative goodwill	9	–
Share of profit of entities accounted for using equity method	9	7
Rental income	8	8
Other	16	6
Total non-operating income	44	23
Non-operating expenses		
Interest expenses	1	2
Rental expenses	4	4
Other	0	–
Total non-operating expenses	6	6
Ordinary profit	789	520
Extraordinary income		
Subsidy income	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on disposal of non-current assets	0	5
Total extraordinary losses	0	5
Profit before income taxes	789	515
Income taxes	263	153
Profit	526	362
Profit (loss) attributable to non-controlling interests	0	(0)
Profit attributable to owners of parent	526	362

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended May 31, 2023	Three months ended May 31, 2024
Profit	526	362
Other comprehensive income		
Valuation difference on available-for-sale securities	(11)	6
Remeasurements of defined benefit plans, net of tax	–	0
Total other comprehensive income	(11)	6
Comprehensive income	515	368
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	515	368
Comprehensive income attributable to non-controlling interests	0	(0)