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Consolidated Financial Results for the Three Months Ended May 31, 2024 [Japanese GAAP]

July 10, 2024

Company name: Alleanza Holdings Co., Ltd.

Stock exchange listing: Tokyo

Code number: 3546

URL: <https://www.alleanza-hd.co.jp>

Representative: Shyunichi Asakura

Representative Director, Chairman and CEO

Contact: Yoshiaki Sampei

Managing Director

Phone: +81-24-563-6818

Scheduled date of filing quarterly securities report: July 16, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended May 31, 2024 (March 1, 2024 to May 31, 2024)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Operating revenues		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	39,365	2.3	847	(41.9)	906	(43.8)	569	(45.7)
May 31, 2023	38,468	(0.0)	1,460	(29.7)	1,613	(26.2)	1,048	(7.1)

(Note) Comprehensive income: Three months ended May 31, 2024: ¥ 525 million [(51.0)%]
Three months ended May 31, 2023: ¥ 1,073 million [(5.6)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2024	18.87	18.84
May 31, 2023	34.82	34.77

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of May 31, 2024	92,196	30,924	32.3
February 29, 2024	88,318	30,975	33.7

(Reference) Equity: As of May 31, 2024: ¥ 29,737 million
As of February 29, 2024: ¥ 29,790 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 29, 2024	-	19.0	-	19.0	38.0
Fiscal year ending February 28, 2025	-				
Fiscal year ending February 28, 2025 (Forecast)		19.0	-	19.0	38.0

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2025(March 1, 2024 to February 28, 2025)

(% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2024	79,240	4.7	2,850	13.1	3,100	11.0	1,950	9.1	64.61
Full year	157,900	5.5	4,700	14.5	5,200	12.7	3,000	26.4	99.39

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended May 31, 2024

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

May 31, 2024: 30,193,386 shares

February 29, 2024: 30,193,386 shares

2) Number of treasury shares at the end of the period:

May 31, 2024: 10,371 shares

February 29, 2024: 10,316 shares

3) Average number of shares outstanding during the period:

Three months ended May 31, 2024: 30,183,051 shares

Three months ended May 31, 2023: 30,123,197 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of February 29, 2024	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	3,831	4,015
Accounts receivable - trade	2,237	2,922
Inventories	28,683	30,283
Accounts receivable - other	5,438	6,386
Other	1,273	1,316
Allowance for doubtful accounts	(0)	(0)
Total current assets	41,465	44,923
Non-current assets		
Property, plant and equipment		
Buildings and structures	48,728	48,926
Accumulated depreciation	(26,243)	(26,488)
Buildings and structures, net	22,485	22,437
Land	4,458	4,458
Leased assets	4,726	4,728
Accumulated depreciation	(1,897)	(1,911)
Leased assets, net	2,828	2,817
Other	9,186	9,667
Accumulated depreciation	(7,286)	(7,304)
Other, net	1,899	2,362
Total property, plant and equipment	31,672	32,076
Intangible assets		
Goodwill	1,581	1,454
Other	5,362	5,339
Total intangible assets	6,943	6,794
Investments and other assets		
Leasehold and guarantee deposits	6,073	6,071
Other	2,195	2,363
Allowance for doubtful accounts	(31)	(31)
Total investments and other assets	8,237	8,402
Total non-current assets	46,853	47,273
Total assets	88,318	92,196

(Millions of yen)

	As of February 29, 2024	As of May 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,355	10,829
Electronically recorded obligations - operating	6,983	7,102
Short-term borrowings	8,481	11,340
Current portion of long-term borrowings	4,702	4,445
Lease liabilities	1,787	2,126
Income taxes payable	482	542
Provision for bonuses	523	1,060
Provision for bonuses for directors (and other officers)	41	0
Contract liabilities	804	840
Provision for loss on store closings	14	23
Other	6,766	6,977
Total current liabilities	39,944	45,288
Non-current liabilities		
Long-term borrowings	10,896	9,876
Lease liabilities	1,732	1,344
Provision for retirement benefits for directors (and other officers)	149	152
Retirement benefit liability	1,106	1,157
Asset retirement obligations	1,768	1,750
Other	1,744	1,702
Total non-current liabilities	17,397	15,983
Total liabilities	57,342	61,272
Net assets		
Shareholders' equity		
Share capital	2,011	2,011
Capital surplus	12,509	12,509
Retained earnings	15,201	15,197
Treasury shares	(9)	(9)
Total shareholders' equity	29,713	29,708
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21	10
Remeasurements of defined benefit plans	55	17
Total accumulated other comprehensive income	77	28
Share acquisition rights	19	19
Non-controlling interests	1,165	1,167
Total net assets	30,975	30,924
Total liabilities and net assets	88,318	92,196

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Millions of yen)

	For the three months ended May 31, 2023	For the three months ended May 31, 2024
Net sales	37,425	38,285
Cost of sales	24,538	25,505
Gross profit	12,886	12,780
Operating revenue	1,043	1,080
Operating gross profit	13,929	13,860
Selling, general and administrative expenses	12,469	13,012
Operating profit	1,460	847
Non-operating income		
Interest income	6	5
Dividend income	1	0
Commission income	97	96
Other	88	78
Total non-operating income	192	182
Non-operating expenses		
Interest expenses	20	37
Borrowing fee	4	66
Foreign exchange losses	1	7
Other	13	12
Total non-operating expenses	39	123
Ordinary profit	1,613	906
Extraordinary income		
Gain on sale of non-current assets	9	0
Gain on sale of investment securities	-	61
Other	1	-
Total extraordinary income	10	61
Extraordinary losses		
Loss on retirement of non-current assets	7	2
Impairment losses	-	144
Loss on valuation of investment securities	3	3
Provision for loss on shop closing	-	11
Other	0	-
Total extraordinary losses	11	161
Profit before income taxes	1,613	806
Income taxes - current	748	540
Income taxes - deferred	(203)	(327)
Total income taxes	545	212
Profit	1,067	593
Profit attributable to non-controlling interests	18	23
Profit attributable to owners of parent	1,048	569

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Millions of yen)

	For the three months ended May 31, 2023	For the three months ended May 31, 2024
Profit	1,067	593
Other comprehensive income		
Valuation difference on available-for-sale securities	5	(29)
Remeasurements of defined benefit plans, net of tax	0	(37)
Total other comprehensive income	5	(67)
Comprehensive income	1,073	525
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,049	520
Comprehensive income attributable to non-controlling interests	23	5