

July 12, 2024

Non-Consolidated Financial Results for the Three Months Ended May 31, 2024 (Under Japanese GAAP)

Company name: VALUE CREATION Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9238
 URL: <http://value-creation.jp>
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 Scheduled date to file quarterly securities report: July 12, 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

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

1. Non-Consolidated financial results for the three months ended May 31, 2024 (from March 1, 2024 to May 31, 2024)

(1) Non-Consolidated 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	%
Three months ended								
May 31, 2024	922	-	43	-	41	-	26	-
May 31, 2023	-	-	-	-	-	-	-	-

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended				
May 31, 2024	11.35		10.23	
May 31, 2023	-		-	

Note: Since quarterly financial statements were not prepared for the first quarter of the fiscal year ending February 29, 2024, figures for the first quarter of the fiscal year ending February 29, 2024 and percentage change from the same period of the previous year and percentage change from the same period of the previous year for the first quarter of the fiscal year ending February 28, 2025 are not shown.

(2) Non-Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
May 31, 2024	3,811	521	13.7
February 29, 2024	3,628	509	14.0

Reference: Equity
 As of May 31, 2024 : ¥ 521 million
 As of February 29, 2024: ¥ 509 million

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 February 29, 2024	-	0.00	-	12.00	12.00
Fiscal year ending February 28, 2025	-				
Fiscal year ending February 28, 2025 (Forecast)		0.00		6.50	6.50

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

3. Forecast of non-consolidated financial results for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2025	3,238	9.8	179	3.9	181	8.8	119	4.3	51.84

Note: Revisions to the earnings forecasts most recently announced: None

On March 16, 2024, the Company conducted a 2-for-1 stock split of its common stock. Net income per share is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year.

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly 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 other reasons: 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 May 31, 2024	2,300,800 shares
As of February 29, 2024	2,300,800 shares

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

As of May 31, 2024	74 shares
As of February 29, 2024	74 shares

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

Three months ended May 31, 2024	2,300,726 shares
Three months ended May 31, 2023	- shares

Note: 1. On March 16, 2024, the Company conducted a 2-for-1 stock split of its common stock. The "number of shares issued and outstanding at the end of the period" and the "number of treasury stock at the end of the period" are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

2. As quarterly financial statements were not prepared for the first quarter of the fiscal year ending February 29, 2024, the average number of shares during the first quarter of the fiscal year ending February 29, 2024 is not stated.

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to "(3) Explanation on earnings forecasts and other forward-looking statements" of "1. Qualitative Information on Quarterly Financial Results" on page 2 of the attached materials for the conditions that form the assumptions for the earnings forecasts and cautions concerning the use thereof.

Quarterly balance sheet

(Thousands of yen)

	As of February 29, 2024	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	1,212,314	1,085,909
Accounts receivable - trade	2,237,769	2,485,325
Advance payments to suppliers	23,329	21,611
Prepaid expenses	10,743	8,140
Other	22,724	17,558
Allowance for doubtful accounts	(1,537)	(1,042)
Total current assets	3,505,343	3,617,502
Non-current assets		
Property, plant and equipment	8,708	96,102
Intangible assets	27,272	25,909
Investments and other assets	87,062	72,038
Total non-current assets	123,044	194,049
Total assets	3,628,388	3,811,551
Liabilities		
Current liabilities		
Accounts payable - trade	1,761,981	1,873,789
Short-term borrowings	100,000	100,000
Current portion of long-term borrowings	243,216	237,747
Accounts payable - other	471,504	567,273
Accrued expenses	56,640	88,902
Income taxes payable	48,708	17,017
Contract liabilities	13,098	15,250
Deposits received	10,615	10,584
Other	33,593	30,150
Total current liabilities	2,739,357	2,940,715
Non-current liabilities		
Long-term borrowings	379,783	349,288
Total non-current liabilities	379,783	349,288
Total liabilities	3,119,140	3,290,003
Net assets		
Shareholders' equity		
Share capital	157,839	157,839
Capital surplus	123,839	123,839
Retained earnings	227,651	239,952
Treasury shares	(82)	(82)
Total shareholders' equity	509,247	521,548
Total net assets	509,247	521,548
Total liabilities and net assets	3,628,388	3,811,551

Quarterly statement of income

(Thousands of yen)

	Three months ended May 31, 2024
Net sales	922,726
Cost of sales	638,370
Gross profit	284,356
Selling, general and administrative expenses	240,577
Operating profit	43,778
Non-operating income	
Refund	396
Other	159
Total non-operating income	556
Non-operating expenses	
Interest expenses	2,770
Total non-operating expenses	2,770
Ordinary profit	41,563
Profit before income taxes	41,563
Income taxes - current	15,012
Income taxes - deferred	446
Total income taxes	15,458
Profit	26,105