

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Nine Months Ended November 30, 2024 (Based on Japanese GAAP)

December 27, 2024

Company name: SANYO SHOKAI LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 8011 URL <https://www.sanyo-shokai.co.jp/>  
 Representative: Representative Director, President & Chief Shinji Oe  
 Operating Officer  
 General Manager of Accounting  
 Inquiries: Department, Accounting & Finance Tatsuji Tsuchida TEL 03-6380-5346  
 Headquarters  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended November 30, 2024 (from March 1, 2024 to November 30, 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 November 30, 2024	43,525	(2.4)	1,422	(17.7)	1,497	(15.6)	1,198	(29.3)
Nine months ended November 30, 2023	44,603	6.4	1,727	68.0	1,773	52.4	1,696	72.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended November 30, 2024	103.45		–	
Nine months ended November 30, 2023	145.41		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2024	58,854	39,617	67.3
As of February 29, 2024	58,758	41,258	70.2

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	–	88.00	88.00
Year ending February 28, 2025	–	0.00	–		
Year ending February 28, 2025 (Forecast)				129.00	129.00

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
Full year	61,000	(0.6)	2,700	(11.4)	2,800	(12.1)	4,000	43.5	350.86

4. Notes

(1) Significant changes in the scope of consolidation during the nine months ended November 30, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(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 November 30, 2024	12,622,934 shares	As of February 29, 2024	12,622,934 shares
-------------------------	-------------------	-------------------------	-------------------

Number of treasury shares at the end of the period

As of November 30, 2024	1,523,843 shares	As of February 29, 2024	952,952 shares
-------------------------	------------------	-------------------------	----------------

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

Nine months ended November 30, 2024	11,585,998 shares	Nine months ended November 30, 2023	11,665,244 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of February 29, 2024	As of November 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	23,283	20,161
Accounts receivable - trade	3,311	4,961
Merchandise and finished goods	7,298	9,821
Other	2,320	2,061
Allowance for doubtful accounts	(5)	(8)
Total current assets	36,209	36,997
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,130	3,098
Land	4,309	4,309
Other, net	1,159	1,378
Total property, plant and equipment	8,598	8,786
Intangible assets		
Trademark right	2,197	1,964
Other	910	814
Total intangible assets	3,108	2,779
Investments and other assets		
Investment securities	9,580	9,218
Leasehold and guarantee deposits	978	1,052
Retirement benefit asset	11	8
Other	278	18
Allowance for doubtful accounts	(6)	(6)
Total investments and other assets	10,842	10,291
Total non-current assets	22,548	21,857
Total assets	58,758	58,854

(Millions of yen)

	As of February 29, 2024	As of November 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,435	5,737
Current portion of long-term borrowings	2,870	175
Accrued expenses	1,935	2,828
Accrued consumption taxes	222	26
Income taxes payable	412	84
Provision for bonuses	482	234
Provision for bonuses for directors (and other officers)	21	7
Other	503	541
Total current liabilities	10,883	9,635
Non-current liabilities		
Long-term borrowings	3,930	6,825
Long-term accounts payable - other	58	53
Deferred tax liabilities	1,543	1,413
Deferred tax liabilities for land revaluation	540	540
Retirement benefit liability	244	269
Other	299	499
Total non-current liabilities	6,616	9,601
Total liabilities	17,499	19,237
<b>Net assets</b>		
Shareholders' equity		
Share capital	15,002	15,002
Capital surplus	9,631	9,640
Retained earnings	11,051	11,223
Treasury shares	(1,587)	(3,120)
Total shareholders' equity	34,097	32,746
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,783	5,510
Deferred gains or losses on hedges	15	(2)
Revaluation reserve for land	1,224	1,224
Foreign currency translation adjustment	121	120
Total accumulated other comprehensive income	7,145	6,853
Non-controlling interests	16	17
Total net assets	41,258	39,617
Total liabilities and net assets	58,758	58,854

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Net sales	44,603	43,525
Cost of sales	16,604	15,950
Gross profit	27,999	27,574
Selling, general and administrative expenses	26,271	26,152
Operating profit	1,727	1,422
Non-operating income		
Interest income	0	2
Dividend income	105	119
Share of profit of entities accounted for using equity method	15	34
Other	14	11
Total non-operating income	135	167
Non-operating expenses		
Interest expenses	77	83
Other	12	9
Total non-operating expenses	89	92
Ordinary profit	1,773	1,497
Extraordinary income		
Gain on sale of non-current assets	44	–
Gain on sale of investment securities	–	1
Total extraordinary income	44	1
Extraordinary losses		
Loss on retirement of non-current assets	–	0
Loss on sale of investment securities	–	0
Impairment losses	44	38
Litigation settlement	–	20
Cancellation penalty	–	25
Total extraordinary losses	44	85
Profit before income taxes	1,773	1,414
Income taxes - current	295	216
Income taxes - deferred	(220)	(2)
Total income taxes	75	214
Profit	1,697	1,200
Profit attributable to non-controlling interests	1	1
Profit attributable to owners of parent	1,696	1,198

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

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Profit	1,697	1,200
Other comprehensive income		
Valuation difference on available-for-sale securities	1,523	(272)
Deferred gains or losses on hedges	(10)	(18)
Foreign currency translation adjustment	0	(0)
Total other comprehensive income	1,512	(291)
Comprehensive income	3,210	908
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,208	906
Comprehensive income attributable to non-controlling interests	1	1