

2. Dividends

| | Dividends per share | | | | | Total dividends | Payout ratio (Consolidated) | Ratio of dividends to equity attributable to owners of the parent (Consolidated) |
|--|---------------------|-------------------|------------------|-------------------|-------|-------------------|--------------------------------|--|
| | First quarter | Second quarter | Third quarter | Fourth quarter | Total | | | |
| Fiscal year ended | (Yen) | (Yen) | (Yen) | (Yen) | (Yen) | (Millions of yen) | (%) | (%) |
| February 28, 2021 | — | 18.00 | — | 21.00 | 39.00 | 1,798 | 50.1 | 5.3 |
| February 28, 2022 | — | 25.00 | — | 26.00 | 51.00 | 2,353 | 47.7 | 6.5 |
| Fiscal year ending February 28, 2023 (Forecasted) | — | 26.00 | — | 26.00 | 52.00 | | — | |

3. Forecasts on the Consolidated Financial Results for the Fiscal Year Ending February 28, 2023 (March 1, 2022 - February 28, 2023)

(Percentages represent year-on-year changes)

| | Revenue | | Operating profit | | Income before income taxes | | Net income | | Net income attributable to owners of the parent | | Basic earnings per share |
|---|----------------------|-------|----------------------|-------|-------------------------------|-------|----------------------|-------|--|-------|--------------------------------|
| | (Millions of yen) | % | (Millions of yen) | % | (Millions of yen) | % | (Millions of yen) | % | (Millions of yen) | % | (Yen) |
| Fiscal year ending February 28, 2023 | 37,000 | 111.1 | 8,000 | 109.5 | 7,930 | 110.5 | 5,400 | 109.2 | 5,360 | 108.6 | 116.16 |

(1) Changes in status of significant subsidiaries during the year : No
(changes in specified subsidiaries accompanying changes in scope of consolidation)

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required by IFRSs : No

(ii) Changes in accounting policies other than those in (i) : No

(iii) Changes in accounting estimates : No

(3) Number of issued shares (ordinary shares)

| | | | | |
|---|--|------------|--|------------|
| (i) Number of issued shares (including treasury stock) | As of February 28, 2022 | 46,164,900 | As of February 28, 2021 | 46,117,350 |
| (ii) Number of treasury stock | As of February 28, 2022 | 22,323 | As of February 28, 2021 | 7,183 |
| (iii) Average number of issued shares during the year | Fiscal year ended February 28, 2022 | 46,106,405 | Fiscal year ended February 28, 2021 | 46,091,272 |

* This report is not subject to audit procedures.

* Notes for using forecasted information and other matters

The forecasts above are based on information available at the date of this report and certain assumptions deemed to be reasonable. The Company does not provide any assurance as to achievement of these forecasts. In addition, the actual results may vary materially from the forecasts due to various uncertainties.

* Method of obtaining supplemental materials

Supplementary materials will be published on our website of KOMEDA Holdings Co., Ltd. on April 15, 2022.

(Appendix)

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1. Summary of Operating Results and Financial Position

(1) Overview of Operating Results

KOMEDA Holdings Co., Ltd. (the "Company") has adopted the slogan "Link People, Communities, and Society through <KUTSUROGI>" in our medium-term business plan "VALUES 2025" through the fiscal year ending February 28, 2026 ("FY2025"), and is working to achieve sustainable growth by (1) Expanding Komeda's Model, (2) Creating New Values and (3) Enhancing Financial Values, as well as recovery in business performance affected by the COVID-19 pandemic in the fiscal year ended February 28, 2021.

During the fiscal year ended February 28, 2022 ("FY2021"), the Japanese café and/or restaurant industry continued to be significantly affected by requests from the national and local government to shorten operating hours or close temporarily. Consumer sentiment improved after the full lifting of the state of emergency and other measures from October 2021, however, the outlook for the industry remains clouded due to the re-application of pre-emergency measures to prevent the spread of COVID-19 by the infection spread of Omicron variant from January 2022, as well as the sharp increase in raw materials, utilities, labor, and other costs.

In such a business environment, we operated a franchise business while taking thorough measures for infection prevention to protect the health of our customers, in order to fulfill our mission as community-based social infrastructure. Selling seasonal menu items and products using popular ingredients such as pistachio and plant-based meat, as well as the "Kome-Gyu Burger that was a remarkable hit in the previous year, and increasing exposure on TV and SNS, led to many customer visits to stores.

As a result, wholesale sales increased significantly compared to FY2020, with same-store year-on-year sales of 110.5% (98.7%, compared to FY2019), and all-store year-on-year sales of 115.2% (105.3%, compared to FY2019).

In terms of the number of stores, Komeda's Coffee opened a total of 49 new stores by expansion in Kaohsiung-city in Taiwan, in addition to aggressive market penetration in the east and west areas of Japan. Okagean and BAKERY ADEMOK newly opened 1 and 2 stores, respectively. As a result, the total number of stores reached 956 as of February 28, 2022, as outlined in the following chart.

| Brand | Area | February 28, 2021 | Newly opened | Closed | February 28, 2022 |
|--|---------|-------------------|--------------|--------|-------------------|
| Komeda's Coffee | East | 274 (22) | 20 (3) | 1 (—) | 293 (21) |
| | Central | 313 (3) | 3 (—) | 6 (—) | 310 (3) |
| | West | 294 (7) | 15 (2) | 1 (—) | 308 (9) |
| | Oversea | 18 (9) | 11 (2) | — (—) | 29 (11) |
| Okagean | All | 11 (6) | 1 (—) | — (—) | 12 (6) |
| Yawaraka Shiro-koppe BAKERY ADEMOK KOMEDA is □ | All | 4 (3) | 2 (2) | 2 (1) | 4 (4) |
| Total | | 914 (50) | 52 (9) | 10 (1) | 956 (54) |

*1. Figures in parenthesis are the number of company-owned stores, and are included in the total.

*2. In the east area of Japan, 5 company-owned stores were transferred to franchisees, and 1 franchise store was transferred to a company-owned store.

*3. For Yawaraka Shiro-koppe, the style of sale changed to the sales in some Komeda's Coffee store or event-based store from the permanently installed store.

As a result, revenue in FY2021 amounted to 33,317 million yen (an increase of 15.5% year on year). Operating profit amounted to 7,305 million yen (an increase of 32.6% year on year) due to the increase in gross profit on recovery of revenue from FY2020 significantly affected by the COVID-19 pandemic, income before income taxes amounted to 7,179 million yen (an increase of 33.2% year on year), and net income attributable to owners of the parent amounted to 4,934 million yen (an increase of 37.4% year on year).

The Company has selected 13 items of materiality covering the four themes of (1) Customer-related Activities, (2) People and Work, (3) Environment, and (4) Community, deemed important from an ESG perspective. Activities to enhance our financial strength and contribute to solving social issues during FY2021 are as follows. (Activities during the period from December 2021 to February 2022 are in bold.)

| Customer-related Activities | |
|---|--|
| Distribution of safe and secure products | Reviewed the Operation Manual and released a series of short videos for factory employees to ensure safe and secure food production. |
| | Digitalized the “Sanitation Manual” so that store staff can check the latest version online, and prepared quizzes to enhance their knowledge and consciousness of store sanitation. |
| | Opened “Okinawa Coffee Plant” and “ Shiodome Coffee Plant (Taiwan) ” for stable supply. |
| | Set October 26th as a “Safe and Secure Foods Day” and founded “MAGOKORO Prize” to recognize the employee with the greatest contribution in the production department during the past year. |
| Commitment to diversified consumer needs | Launched seasonal Shiro-Noir “Rich Pistachio” which was popular with women. |
| | Re-released “Kome-Gyu Burger” as a seasonal sales campaign, which provided a lot of value for fans. |
| | Renewed classic menu “Demiglace Burger” with richer sauce, and “ Gra-Cro ” with five different cheeses . |
| | Launched “Soy Ham Cutlet Burger” to meet diverse customer needs. |
| | Launched “Plant Based Shiro-Noir” at KOMEDA’s Coffee using almond milk soft-serve ice cream. |
| | Expanded take-away menu and increased number of stores providing shared-delivery service for “Komeda at Home” concept. |
| | Launched “Sustainable Manuka Honey Almond” using almonds supplied by Olam Food Ingredients. |
| | Collaboration with BEAMS and WHIMSY for apparel and goods to appeal to younger customers. |
| | Established DX Office and started development of new Komeda App for customer convenience. Also began test launching of new POS system at certain company-owned stores. |
| | Opened two new stores which have Personal Booths (private room) for “new normal” lifestyle of customers. |
| | Collaboration with popular TV animation “Kimetsu-No-Yaiba” with special menu items and sales campaign. |
| | Launched Christmas Box which includes chicken wings developed under supervision from “Sekai-No-Yamachan”. |
| | Launched volume and area limited special cake “Salty Caramel Mille Crepe” and “Milk Tea Mille Crepe” developed under supervision from “chez Shibata”. |
| Launched volume limited dessert “Shiro-Noir Kyun-Heart” developed under supervision from GODIVA. | |
| Promotion and enlightenment of sustainable consumption | Distributed original animation “Komeda’s Sustainable Story” on YouTube, produced with a subsidy from Ministry of Economy, Trade and Industry. |
| | Had a special class “Kissa culture in Nagoya and Omotenashi” at select elementary schools in Nagoya. |
| People and work | |
| Recruitment and training of human resources | Held “ Service Contest 2021 ” and “Kitchen Operation Contest” to improve the motivation and skill of staff. |
| | Distributed the “KOMEDA Omotenashi Video” series to stores so staff can participate in training classes at their store or at home even under COVID-19 restrictions. |
| Diversity of human capital | Directors assigned to mentor female managers as a part of diversity promotion program. |
| | Renewed peanut packaging design with illustrations drawn by artists with disabilities. |
| Work environment and labor issues | Introduced full flextime (no core time) to improve work environment of employees. |
| | Conducted Employee Satisfaction Survey including franchisee employees. |

| | |
|---|--|
| Environment | |
| Reducing waste and resource circulation | Reduced a large amount of paper waste by changing the packaging of iced coffee. |
| | Launched eco-friendly "Silicon Straw" and other products at Komeda official online shop. |
| | Started using biomass plastic spoons and forks for take-away customers at some Komeda stores. |
| Response to climate change | Expanded the area of "Komeda's Forest" and conducted forest conservation activities with the Komeda Club, members of Komeda fan site "Sankaku Yane No Shita," and franchise owners and employees. |
| | Introduced renewable energy at twelve company-owned stores (including two Okage-an stores) and one factory, with expansion planned to other Company facilities as well as franchisees. |
| | Held "Sustainable KUTSUROGI Voting" at all of Komeda stores and a pop-up store at "Imperfect Omotesando" where customers can vote on three programs to support sustainable coffee production. |
| | Started OEM of bread in Hokkaido to promote local production for local consumption, and reducing food mileage to cut emissions in our distribution system. |
| Community | |
| Contribution to Local Communities | Opened new stores in Central Japan, the birthplace of Komeda's Coffee, including the "Noritake-Shinmachi Store" on the site of the head office factory of the world-renowned tableware brand Noritake, the "Centrair Store" as the first store in the Chubu Centrair International Airport, the "Tono Shinkin Bank-Toki-Chuo Store", a collaboration for the first time with a regional bank, and the "Sakae-Hirokoji Store" for Okage-an in the former Tokai Bank Head Office Building. |
| | Opened new stores in Tokyo, including the "Ukima Park Store" which embodies the slogan of "Link People, Communities and Society through <KUTSUROGI>" and provide values to the park. |
| | Opened new stores in Okinawa, including the "BAKERY ADEMOK Stand" as a satellite store on the site of "Komeda's Coffee Okinawa Itoman Store" and the "BAKERY ADEMOK Uruma" as a second store. |
| | Conferred the "Community Contribution Award" to stores that serve as a model for "Community-Based Stores" by supporting "father's cafeteria," "children's cafeteria," and after-school care. |
| | Jointly developed special menu items with a private high school in Ichinomiya City using local ingredients, and sold them at a nearby department store. |
| | Held an online event where members of the Komeda Club can participate while relaxing at home. |
| | Launched regional nine jams for the morning set menu to contribute to the local economy. |

(2) Overview of Financial Position

Analysis of assets, liabilities, and equity for the consolidated fiscal year under review is summarized as follows:

Current assets decreased 12,543 million yen from the end of FY2020 to 15,395 million yen, mainly due to the decrease in other financial assets resulting from the repayment of borrowings of 10,000 million prepared for the impact of the COVID-19 pandemic. Non-current assets increased 438 million yen from the end of FY2020 to 82,036 million yen mainly due to the increase in property, plant and equipment. As a result, total assets decreased 12,105 million yen from the end of FY2020 to 97,431 million yen.

Current liabilities decreased 12,077 million yen from the end of FY2020 to 11,694 million yen mainly due to the decrease in borrowings. Non-current liabilities decreased 2,810 million yen from the end of FY2020 to 48,122 million yen mainly due to the decrease in borrowings. As a result, total liabilities decreased 14,887 million yen from the end of FY2020 to 59,816 million yen.

Total equity increased 2,782 million yen from the end of FY2020 to 37,615 million yen. This mainly reflected a 2,121 million yen decrease in retained earnings resulting from cash dividends paid and the booking of net income of 4,946 million yen.

(3) Overview of Cash Flows

In FY2021, cash and cash equivalents decreased 1,096 million yen from the end of FY2020 to 6,205 million yen. The breakdown of cash flows by activities and underlying factors for FY2021 is as follows.

(Cash flows from operating activities)

Cash provided by operating activities totaled 8,148 million yen (decrease of 2,211 million yen compared to FY2020). This mainly reflected the booking of income before income tax of 7,179 million yen (increase of 1,788 million yen compared to FY2020) and the payment of income taxes amounting to 3,697 million yen (increase of 2,769 million yen compared to FY2020) including the payment of income taxes for FY2019 by the utilization of granted grace of tax payment in April 2020.

(Cash flows from investing activities)

Cash provided by investing activities amounted to 9,712 million yen (compared to cash used of 11,556 million yen in FY2020). This was mainly due to 11,000 million yen in net decrease in long-term time deposits (cash deposit 10,000 million in FY2020).

(Cash flows from financing activities)

Cash used in financing activities amounted to 18,984 million yen (compared to cash provided of 1,889 million yen in FY2020). This mainly reflected 27,407 million yen in repayments of borrowings (increase of 24,272 million yen compared to FY2020), 14,000 million yen in proceeds from borrowings (increase of 3,870 million yen compared to FY2020), and 2,117 million yen in cash dividends paid to owners of the parent (increase of 87 million yen compared to FY2020).

(4) Forecast for the Next Fiscal Year (FY2022)

The state of emergency related to COVID-19 was lifted at the end of September 2021, however, the outlook for the Japanese economy remained uncertain with no clear prospect for when the pandemic will come to an end, including the emergence of a new COVID-19 variant. In addition, the situation of Russia-Ukraine crisis and cost pressures such as raw material and energy may significantly impact the Company's business.

In such a business environment, the Company will strive to achieve sustainable growth by (1) Expanding Komeda's Model, (2) Creating New Values and (3) Enhancing Financial Values to "Link People, Communities, and Society through <KUTSUROGI>" under our medium-term business plan "VALUES 2025", as well as the recovery of the performance affected by the COVID-19 pandemic.

Based on the above, the Company is forecasting revenue of 37,000 million yen (an increase of 11.1% year on year), with operating profit of 8,000 million yen (up 9.5% year on year), income before income tax of 7,930

million yen (up 10.5% year on year), net income of 5,400 million yen (up 9.2% year on year), and net income attributable to owners of the parent of 5,360 million yen (up 8.6% year on year).

(5) Shareholder Return Policy and Dividends

The Company recognizes that returning profits to shareholders is a critical issue for management.

The policy of the Company is to return profit to shareholders at a targeted total return ratio of 50% or more during the cumulative period of our medium-term business plan “VALUES 2025” for the five years ending February 28, 2026, with comprehensive consideration of the demand for finance such as repayment of debt, investment for performance or business expansion, and simultaneously realizing appropriate capital allocation from a medium to long-term perspective, in order to achieve more flexible and stable shareholders returns.

For the year ended February 28, 2022, the year-end dividend will be 26 yen per share, and a full year dividend will be 51 yen per share including the interim dividend of 25 yen per share.

The full-year dividend for the year ending February 28, 2023 is forecast to be 52 yen per share (including the interim dividend of 26 yen per share), an increase of one yen from the subject fiscal year.

2. Basic Approach to Selection of Accounting Standards

The Company has adopted the International Financial Reporting Standards (IFRS) since the year ended February 29, 2016 with the aim of enhancing the international comparability of its financial information in capital markets as well as overall convenience.

3. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position (Unaudited)

| | (Millions of yen) | |
|---|--------------------|--------|
| | As of February 28, | |
| | 2021 | 2022 |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 7,301 | 6,205 |
| Trade and other receivables | 5,195 | 5,074 |
| Other financial assets | 14,128 | 3,152 |
| Inventories | 317 | 276 |
| Other current assets | 997 | 688 |
| Total current assets | 27,938 | 15,395 |
| Non-current assets | | |
| Property, plant and equipment | 12,819 | 13,679 |
| Goodwill | 38,354 | 38,354 |
| Other intangible assets | 217 | 261 |
| Trade and other receivables | 26,473 | 25,890 |
| Other financial assets | 3,206 | 3,227 |
| Deferred tax assets | 325 | 414 |
| Other non-current assets | 204 | 211 |
| Total non-current assets | 81,598 | 82,036 |
| Total assets | 109,536 | 97,431 |
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade payables | 1,488 | 1,524 |
| Borrowings | 12,705 | 2,169 |
| Lease liabilities | 3,056 | 3,356 |
| Income tax payable | 2,652 | 1,557 |
| Other financial liabilities | 1,955 | 1,746 |
| Other current liabilities | 1,915 | 1,342 |
| Total current liabilities | 23,771 | 11,694 |
| Non-current liabilities | | |
| Borrowings | 14,861 | 12,077 |
| Lease liabilities | 29,335 | 29,021 |
| Other financial liabilities | 6,057 | 6,307 |
| Provisions | 308 | 360 |
| Other non-current liabilities | 371 | 357 |
| Total non-current liabilities | 50,932 | 48,122 |
| Total liabilities | 74,703 | 59,816 |
| Equity | | |
| Share capital | 625 | 639 |
| Capital surplus | 13,127 | 13,099 |
| Retained earnings | 21,057 | 23,870 |
| Treasury stock | (17) | (53) |
| Other components of equity | (0) | 4 |
| Equity attributable to owners of the parent | 34,792 | 37,559 |
| Non-controlling interests | 41 | 56 |
| Total equity | 34,833 | 37,615 |
| Total liabilities and equity | 109,536 | 97,431 |

3. Consolidated Financial Statements (continued)

(2) Consolidated Statements of Income (Unaudited)

| | (Millions of yen) | |
|--|-------------------------|----------|
| | Year ended February 28, | |
| | 2021 | 2022 |
| Revenue | 28,836 | 33,317 |
| Cost of sales | (18,477) | (21,273) |
| Gross profit | 10,359 | 12,044 |
| Other operating income | 307 | 490 |
| Selling, general and administrative expenses | (4,620) | (4,912) |
| Other operating expenses | (535) | (317) |
| Operating profit | 5,511 | 7,305 |
| Financial income | 19 | 47 |
| Financial expense | (139) | (173) |
| Income before income taxes | 5,391 | 7,179 |
| Income taxes | (1,789) | (2,233) |
| Net income | 3,602 | 4,946 |
| Net income attributable to: | | |
| Owners of the parent | 3,590 | 4,934 |
| Non-controlling interests | 12 | 12 |
| Net income | 3,602 | 4,946 |
| Interim earnings per share | | |
| Basic (Yen) | 77.89 | 107.02 |
| Diluted (Yen) | 77.67 | 106.77 |

3. Consolidated Financial Statements (continued)

(3) Consolidated Statements of Comprehensive Income (Unaudited)

| | (Millions of yen) | |
|---|-------------------------|-------|
| | Year ended February 28, | |
| | 2021 | 2022 |
| Net income | 3,602 | 4,946 |
| Other comprehensive income | | |
| Items that may be reclassified to profit or loss | | |
| Exchange differences on translation of foreign operations | 4 | 7 |
| Hedging gains reclassified to profit of loss | 6 | — |
| Other comprehensive income after taxes | 10 | 7 |
| Total comprehensive income | 3,612 | 4,953 |
| Total comprehensive income attributable to: | | |
| Owners of the parent | 3,598 | 4,938 |
| Non-controlling interests | 14 | 15 |
| Total comprehensive income | 3,612 | 4,953 |

3. Consolidated Financial Statements (continued)

(4) Consolidated Statements of Changes in Equity (Unaudited)

(Millions of yen)

| | Share capital | Capital surplus | Retained earnings | Treasury stock | Other components of equity | Equity attributable to owners of the parent | Non-controlling interests | Total equity |
|---|---------------|-----------------|-------------------|----------------|----------------------------|---|---------------------------|--------------|
| Balance as of March 1, 2020 | 613 | 13,096 | 19,495 | (10) | (8) | 33,186 | 27 | 33,213 |
| Net income | | | 3,590 | | | 3,590 | 12 | 3,602 |
| Other comprehensive income | | | | | 8 | 8 | 2 | 10 |
| Total comprehensive income | — | — | 3,590 | — | 8 | 3,598 | 14 | 3,612 |
| Exercise of subscription rights to shares | 12 | 9 | | | | 21 | | 21 |
| Share-based payment transactions | | 15 | | | | 15 | | 15 |
| Dividends | | | (2,028) | | | (2,028) | | (2,028) |
| Acquisition of treasury stock | | 7 | | (7) | | (0) | | (0) |
| Total transactions with owners | 12 | 31 | (2,028) | (7) | — | (1,992) | — | (1,992) |
| Balance as of February 28, 2021 | 625 | 13,127 | 21,057 | (17) | (0) | 34,792 | 41 | 34,833 |
| Net income | | | 4,934 | | | 4,934 | 12 | 4,946 |
| Other comprehensive income | | | | | 4 | 4 | 3 | 7 |
| Total comprehensive income | — | — | 4,934 | — | 4 | 4,938 | 15 | 4,953 |
| Exercise of subscription rights to shares | 14 | 11 | | | | 25 | | 25 |
| Share-based payment transactions | | 25 | | | | 25 | | 25 |
| Dividends | | | (2,121) | | | (2,121) | | (2,121) |
| Acquisition of treasury stock | | 1 | | (101) | | (100) | | (100) |
| Disposal of treasury stock | | (65) | | 65 | | — | | — |
| Total transactions with owners | 14 | (28) | (2,121) | (36) | — | (2,171) | — | (2,171) |
| Balance as of February 28, 2022 | 639 | 13,099 | 23,870 | (53) | 4 | 37,559 | 56 | 37,615 |

3. Consolidated Financial Statements (continued)

(5) Consolidated Statements of Cash Flows (Unaudited)

| | (Millions of yen) | |
|--|-------------------------|----------|
| | Year ended February 28, | |
| | 2021 | 2022 |
| Cash flows from operating activities | | |
| Income before income taxes | 5,391 | 7,179 |
| Depreciation and amortization | 1,429 | 1,617 |
| Financial income | (19) | (47) |
| Financial expense | 139 | 173 |
| Decrease (increase) in trade and other receivables | 706 | 876 |
| Decrease (increase) in guarantee deposits and construction assistance fund receivables | (95) | (16) |
| Decrease (increase) in other financial assets | 8 | (3) |
| Increase (decrease) in trade payables | (127) | 30 |
| Increase (decrease) in guarantee deposits received and construction assistance fund received | (39) | 246 |
| Increase (decrease) in other financial liabilities | 2,505 | 1,604 |
| Others | 920 | (312) |
| Subtotal | 10,818 | 11,347 |
| Interest received | 1 | 2 |
| Interest paid | (66) | (72) |
| Income taxes paid | (928) | (3,697) |
| Income taxes refunded | 534 | 568 |
| Net cash provided by operating activities | 10,359 | 8,148 |
| Cash flows from investing activities | | |
| Decrease (increase) in time deposits | (10,000) | 11,000 |
| Purchase of property, plant and equipment | (1,382) | (1,235) |
| Purchase of intangible assets | (102) | (51) |
| Others | (72) | (2) |
| Net cash provided by (used in) investing activities | (11,556) | 9,712 |
| Cash flows from financing activities | | |
| Proceeds from borrowings | 10,130 | 14,000 |
| Repayment of borrowings | (3,135) | (27,407) |
| Repayments of lease liabilities | (3,096) | (3,384) |
| Proceeds from issuance of shares | 20 | 24 |
| Purchase of treasury stock | — | (100) |
| Cash dividends paid to owners of the parent | (2,030) | (2,117) |
| Net cash provided by (used in) financing activities | 1,889 | (18,984) |
| Effect of exchange rate changes on cash and cash equivalents | 0 | 28 |
| Net increase (decrease) in cash and cash equivalents | 692 | (1,096) |
| Cash and cash equivalents at beginning of period | 6,609 | 7,301 |
| Cash and cash equivalents at end of period | 7,301 | 6,205 |

3. Consolidated Financial Statements (continued)

(6) Notes to Consolidated Financial Statements (Unaudited)

Notes on Assumption of Going Concern

None

Segment Information

As the Company only has a single segment consisting of the cafe business, the description of segment information is omitted.

Earnings per Share

| | Year ended February 28,2021 | Year ended February 28,2022 |
|---|--------------------------------|--------------------------------|
| Net income attributable to owners of the parent (millions of yen) | 3,590 | 4,934 |
| Weighted average number of ordinary shares (shares) | 46,091,272 | 46,106,405 |
| Number of ordinary shares with dilutive effects Increase due to stock options (shares) | 133,434 | 110,294 |
| Weighted average number of ordinary shares after dilution (shares) | 46,224,706 | 46,216,699 |
| Basic earnings per share (yen) | 77.89 | 107.02 |
| Diluted earnings per share (yen) | 77.67 | 106.77 |

Significant Subsequent Events

None