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## Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]



February 14, 2023

Company name: Double Standard Inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 3925  
 URL: <https://double-std.com>  
 Representative: Yasuhiro Shimizu, Representative Director  
 Contact: Mitsunobu Wada, Executive Officer, General Manager of Corporate Management Division  
 Phone: +81-3-6384-5411  
 Scheduled date of filing quarterly securities report: February 14, 2023  
 Scheduled date of commencing dividend payments: -  
 Availability of supplementary explanatory materials on quarterly financial results: Available  
 Schedule of quarterly financial results briefing session: Not scheduled

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

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 1, 2022 - December 31, 2022)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period.)

|                                     | Net sales   |       | Operating profit |      | Ordinary profit |      | Profit attributable to owners of parent |       |
|-------------------------------------|-------------|-------|------------------|------|-----------------|------|---|-------|
|                                     | Million yen | %     | Million yen      | %    | Million yen     | %    | Million yen                             | %     |
| Nine months ended December 31, 2022 | 5,006       | (8.6) | 1,485            | 9.8  | 1,453           | 9.4  | 1,182                                   | 31.0  |
| December 31, 2021                   | 5,475       | 82.2  | 1,352            | 94.0 | 1,327           | 93.5 | 902                                     | 101.9 |

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥1,138 million [17.7%]

Nine months ended December 31, 2021: ¥967 million [118.6%]

|                                     | Basic earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------------|----------------------------|
|                                     | Yen                      | Yen                        |
| Nine months ended December 31, 2022 | 87.06                    | -                          |
| December 31, 2021                   | 66.46                    | -                          |

(Note) The Company implemented a two-for-one stock split of its common stock on October 1, 2021. Basic earnings per share are calculated based on the assumption that the stock split was implemented at the beginning of the previous consolidated fiscal year.

### (2) Consolidated Financial Position

|                         | Total assets | Net assets  | Equity ratio |
|-------------------------|--------------|-------------|--------------|
|                         | Million yen  | Million yen | %            |
| As of December 31, 2022 | 4,863        | 4,194       | 84.9         |
| As of March 31, 2022    | 4,455        | 3,533       | 79.3         |

(Reference) Equity: As of December 31, 2022: ¥4,128 million

As of March 31, 2022: ¥3,533 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<br>March 31, 2022                | -                | 0.00            | -               | 40.00    | 40.00 |
| Fiscal year ending<br>March 31, 2023               | -                | 0.00            | -               |          |       |
| Fiscal year ending<br>March 31, 2023<br>(Forecast) |                  |                 |                 | 50.00    | 50.00 |

(Note) Revision to the dividends forecast announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

|           | Net sales   |     | Operating profit |      | Ordinary profit |      | Profit attributable to owners of parent |      | Basic earnings per share |
|-----------|-------------|-----|------------------|------|-----------------|------|---|------|--------------------------|
| Full year | Million yen | %   | Million yen      | %    | Million yen     | %    | Million yen                             | %    | Yen                      |
|           | 7,080       | 0.0 | 2,120            | 20.6 | 2,126           | 21.4 | 1,381                                   | 27.6 | 101.76                   |

(Note) Revision to the financial results forecast announced most recently: None

**\* Notes:**

- (1) Changes in significant subsidiaries during the period: Yes  
(Changes in specified subsidiaries resulting in changes in scope of consolidation):  
Newly included: - (Aster's Co., Ltd.           ), Excluded: - (           )
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):

|                    |                   |
|--------------------|-------------------|
| December 31, 2022: | 13,580,000 shares |
| March 31, 2022:    | 13,580,000 shares |
  - 2) Number of treasury shares at the end of the period:

|                    |            |
|--------------------|------------|
| December 31, 2022: | 954 shares |
| March 31, 2022:    | 916 shares |
  - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year):

|                                      |                   |
|--------------------------------------|-------------------|
| Nine months ended December 31, 2022: | 13,579,067 shares |
| Nine months ended December 31, 2021: | 13,579,234 shares |

(Note) The Company implemented a two-for-one stock split of its common stock on October 1, 2021. The total number of issued shares at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period are calculated based on the assumption that the stock split was implemented at the beginning of the previous consolidated fiscal year.

\* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecast and other notes

The financial results forecast and other forward-looking statements presented in this document are based on information that is currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended to represent the Company's commitment to achieve the projected financial results. In addition, actual financial results, etc. may differ significantly from the forecast and statements due to various factors.

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# 1. Quarterly Consolidated Financial Statements and Principal Notes

## (1) Quarterly Consolidated Balance Sheets

(Thousand yen)

|                                     | As of March 31, 2022 | As of December 31, 2022 |
|-------------------------------------|----------------------|-------------------------|
| <b>Assets</b>                       |                      |                         |
| Current assets                      |                      |                         |
| Cash and deposits                   | 3,136,796            | 3,606,063               |
| Accounts receivable - trade         | 599,154              | 597,029                 |
| Work in process                     | 155,673              | 23,251                  |
| Prepaid expenses                    | 8,410                | 14,454                  |
| Other                               | 51,671               | 6,083                   |
| Total current assets                | 3,951,707            | 4,246,882               |
| Non-current assets                  |                      |                         |
| Property, plant and equipment       |                      |                         |
| Buildings, net                      | 59,309               | 62,280                  |
| Tools, furniture and fixtures, net  | 24,378               | 20,365                  |
| Total property, plant and equipment | 83,687               | 82,645                  |
| Intangible assets                   |                      |                         |
| Software                            | 47,333               | 36,726                  |
| Trademark right                     | 210                  | 170                     |
| Goodwill                            | -                    | 335,590                 |
| Total intangible assets             | 47,544               | 372,487                 |
| Investments and other assets        |                      |                         |
| Investment securities               | 249,593              | -                       |
| Deferred tax assets                 | 28,719               | 41,312                  |
| Leasehold and guarantee deposits    | 94,669               | 97,249                  |
| Other                               | -                    | 23,084                  |
| Total investments and other assets  | 372,982              | 161,646                 |
| Total non-current assets            | 504,214              | 616,780                 |
| Total assets                        | 4,455,921            | 4,863,662               |

(Thousand yen)

|  | As of March 31, 2022 | As of December 31, 2022 |
|--|----------------------|-------------------------|
| <b>Liabilities</b>   |                      |                         |
| Current liabilities  |                      |                         |
| Accounts payable - trade   | 357,946              | 275,154                 |
| Accounts payable - other   | 77,129               | 68,060                  |
| Accrued expenses   | 6,779                | 16,286                  |
| Income taxes payable   | 389,229              | 196,979                 |
| Accrued consumption taxes  | 83,984               | 55,855                  |
| Advances received  | 2,376                | 594                     |
| Other  | 5,078                | 16,969                  |
| Total current liabilities  | 922,522              | 629,899                 |
| Non-current liabilities  |                      |                         |
| Provision for retirement benefits                                    | -                    | 5,774                   |
| Provision for retirement benefits for directors (and other officers) | -                    | 33,598                  |
| Total non-current liabilities  | -                    | 39,372                  |
| Total liabilities  | 922,522              | 669,272                 |
| <b>Net assets</b>  |                      |                         |
| Shareholders' equity   |                      |                         |
| Share capital  | 263,778              | 263,778                 |
| Capital surplus  | 253,298              | 253,298                 |
| Retained earnings  | 2,974,487            | 3,613,523               |
| Treasury shares  | (1,997)              | (2,096)                 |
| Total shareholders' equity   | 3,489,566            | 4,128,503               |
| Accumulated other comprehensive income                               |                      |                         |
| Valuation difference on available-for-sale securities                | 43,832               | -                       |
| Total accumulated other comprehensive income                         | 43,832               | -                       |
| Non-controlling interests  | -                    | 65,886                  |
| Total net assets   | 3,533,398            | 4,194,390               |
| Total liabilities and net assets                                     | 4,455,921            | 4,863,662               |

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statement of Income  
Nine Months Ended December 31

(Thousand yen)

|   | For the nine months ended<br>December 31, 2021 | For the nine months ended<br>December 31, 2022 |
|---|--|--|
| Net sales   | 5,475,588                                      | 5,006,482                                      |
| Cost of sales   | 3,553,716                                      | 2,919,598                                      |
| Gross profit  | 1,921,871                                      | 2,086,883                                      |
| Selling, general and administrative expenses                | 569,714  | 601,735  |
| Operating profit  | 1,352,157                                      | 1,485,147                                      |
| Non-operating income  |  |  |
| Other   | 534  | 14   |
| Total non-operating income                                  | 534  | 14   |
| Non-operating expenses                                      |  |  |
| Share of loss of entities accounted for using equity method | 21,620   | 31,830   |
| Donations   | 3,080  | 50   |
| Total non-operating expenses                                | 24,700   | 31,880   |
| Ordinary profit   | 1,327,991                                      | 1,453,281                                      |
| Extraordinary income  |  |  |
| Gain on sale of investment securities                       | -  | 36,141   |
| Gain on step acquisitions                                   | -  | 171,660  |
| Total extraordinary income                                  | -  | 207,802  |
| Extraordinary losses  |  |  |
| Other   | 722  | -  |
| Total extraordinary losses                                  | 722  | -  |
| Profit before income taxes                                  | 1,327,268                                      | 1,661,083                                      |
| Income taxes - current                                      | 432,452  | 456,678  |
| Income taxes - deferred                                     | (7,678)  | 22,204   |
| Total income taxes  | 424,773  | 478,883  |
| Profit  | 902,495  | 1,182,199                                      |
| Profit attributable to non-controlling interests            | -  | -  |
| Profit attributable to owners of parent                     | 902,495  | 1,182,199                                      |

Quarterly Consolidated Statement of Comprehensive Income

Nine Months Ended December 31

(Thousand yen)

|  | For the nine months ended<br>December 31, 2021 | For the nine months ended<br>December 31, 2022 |
|--|--|--|
| Profit   | 902,495  | 1,182,199                                      |
| Other comprehensive income                                     |  |  |
| Valuation difference on available-for-sale securities          | 65,032   | (43,832)                                       |
| Total other comprehensive income                               | 65,032   | (43,832)                                       |
| Comprehensive income   | 967,528  | 1,138,367                                      |
| Comprehensive income attributable to                           |  |  |
| Comprehensive income attributable to owners of parent          | 967,528  | 1,138,367                                      |
| Comprehensive income attributable to non-controlling interests | -  | -  |



(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.