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March 14, 2023

## Non-consolidated Financial Results for the Three Months Ended January 31, 2023 (Under Japanese GAAP)



Company name: CellSource Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4880  
 URL: <https://www.cellsource.co.jp/>  
 Representative: Masato Tsumamoto, Chief Executive Officer (CEO) & Representative Director  
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 Telephone: +81-3-6455-5308  
 Scheduled date to file quarterly securities report: March 14, 2023  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes (for investors and analysts)

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

### 1. Non-consolidated Financial Results for the Three Months Ended January 31, 2023 (from November 1, 2022 to January 31, 2023)

#### (1) 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 January 31, 2023	1,059	29.1	351	43.7	334	36.5	216	38.7
January 31, 2022	820	31.8	244	35.6	244	35.5	155	37.7

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended January 31, 2023	11.56	11.24
January 31, 2022	8.36	8.11

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of January 31, 2023	4,416	4,005	89.7
October 31, 2022	4,599	3,785	81.4

Reference: Equity

As of January 31, 2023: ¥3,963 million  
 As of October 31, 2022: ¥3,743 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 October 31, 2022	—	0.00	—	0.00	0.00
Fiscal year ending October 31, 2023	—				
Fiscal year ending October 31, 2023 (Forecast)		0.00	—	0.00	0.00

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

## 3. Non-consolidated Financial Result Forecasts for the Fiscal Year Ending October 31, 2023 (from November 1, 2022 to October 31, 2023)

(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
Full year	5,192	21.5	1,625	3.5	1,625	2.6	1,024	0.6	54.81

Note: Revisions to the financial result forecast most recently announced: None

\* **Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-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: Yes

(ii) Changes in accounting policies due to reasons other than (i): 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 January 31, 2023	18,695,700 shares
As of October 31, 2022	18,685,800 shares

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

As of January 31, 2023	575 shares
As of October 31, 2022	575 shares

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

Three months ended January 31, 2023	18,686,457 shares
Three months ended January 31, 2022	18,629,405 shares

\* 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

(Cautionary statement with respect to forward-looking statements)

The earnings forecasts and forward-looking statements described herein are based on information currently available to the Company and certain assumptions deemed reasonable, and are not intended to be a promise by the Company to achieve them. As such, actual results may differ significantly from these forecasts due to a wide range of factors.

(Method of obtaining the supplementary material on financial results and details of the financial results briefing)

The Company plans to hold a briefing online for investors and analysts on Tuesday, March 14, 2023.

## 2. Quarterly Non-consolidated Financial Statements and Principal Notes

### (1) Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

	As of October 31, 2022	As of January 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	3,123,580	3,052,014
Accounts receivable - trade	657,331	368,813
Merchandise and finished goods	121,352	118,475
Work in process	23,188	27,067
Raw materials and supplies	82,482	86,236
Other	76,986	107,179
Allowance for doubtful accounts	(7,528)	(4,226)
Total current assets	4,077,393	3,755,559
Non-current assets		
Property, plant and equipment	166,262	163,234
Intangible assets	10,480	9,597
Investments and other assets		
Other	345,544	488,397
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	345,544	488,397
Total non-current assets	522,287	661,229
Total assets	4,599,680	4,416,789
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	109,692	60,826
Income taxes payable	420,726	107,363
Provision for bonuses	24,591	19,512
Provision for bonuses for directors (and other officers)	—	750
Provision for loss on orders received	9	191
Other	259,129	222,303
Total current liabilities	814,149	410,948
Total liabilities	814,149	410,948
<b>Net assets</b>		
Shareholders' equity		
Share capital	689,226	690,876
Capital surplus	599,226	600,876
Retained earnings	2,454,176	2,670,221
Treasury shares	(1,696)	(1,696)
Total shareholders' equity	3,740,933	3,960,278
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,045	2,893
Total valuation and translation adjustments	3,045	2,893
Share acquisition rights	41,552	42,668
Total net assets	3,785,531	4,005,840
Total liabilities and net assets	4,599,680	4,416,789

(2) Quarterly Non-consolidated Statements of Income and Comprehensive Income

Quarterly Non-consolidated Statements of Income

Three Months Ended January 31

(Thousands of yen)

	For the three months ended January 31, 2022	For the three months ended January 31, 2023
Net sales	820,917	1,059,530
Cost of sales	239,585	280,067
Gross profit	581,332	779,462
Selling, general and administrative expenses	336,955	428,175
Operating profit	244,376	351,287
Non-operating income		
Foreign exchange gains	513	—
Miscellaneous income	58	115
Total non-operating income	571	115
Non-operating expenses		
Interest expenses	9	—
Foreign exchange losses	—	17,089
Total non-operating expenses	9	17,089
Ordinary profit	244,938	334,312
Extraordinary income		
Gain on reversal of share acquisition rights	—	5,243
Total extraordinary income	—	5,243
Profit before income taxes	244,938	339,556
Income taxes - current	72,208	99,481
Income taxes - deferred	16,963	24,030
Total income taxes	89,171	123,512
Profit	155,766	216,044