

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 2023

Company name: GREENS CO.,LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6547 URL <https://www.kk-greens.jp/>
 Representative: President & Representative Director Muraki Takeya
 Director and General Manager
 Inquiries: Administration Div. Hiroya Ito TEL 059(351)5593
 Scheduled date to file Quarterly Securities Report: May 12, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended March 31, 2023 (from July 1, 2022 to March 31, 2023)

(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 March 31, 2023	26,891	51.0	2,856	–	2,690	–	2,419	–
Nine months ended March 31, 2022	17,807	49.2	(2,585)	–	(2,463)	–	(2,503)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2023	179.12	166.94
Nine months ended March 31, 2022	(194.40)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2023	25,015	3,591	14.4
As of June 30, 2022	25,932	1,347	5.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2022	–	0.00	–	0.00	0.00
Year ending June 30, 2023	–	0.00	–		
Year ending June 30, 2023 (Forecast)				9.00	9.00

3. Forecast of consolidated financial results for the year ending June 30, 2023 (from July 1, 2022 to June 30, 2023)

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	35,000	37.6	3,100	–	2,900	–	2,600	–	181.73

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 31, 2023
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (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 March 31, 2023	12,886,200 shares	As of June 30, 2022	12,886,200 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	9,742 shares	As of June 30, 2022	9,742 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2023	12,876,458 shares	Nine months ended March 31, 2022	12,876,458 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	10,015,145	8,052,805
Accounts receivable - trade	1,981,839	2,870,445
Raw materials and supplies	102,008	114,028
Prepaid expenses	971,809	965,018
Other	90,812	73,088
Allowance for doubtful accounts	(1,680)	–
Total current assets	13,159,936	12,075,386
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,058,180	4,514,310
Tools, furniture and fixtures, net	442,212	438,607
Land	1,815,257	1,828,655
Leased assets, net	197,987	185,198
Construction in progress	2,122,834	–
Total property, plant and equipment	6,636,473	6,966,771
Intangible assets	140,698	125,894
Investments and other assets		
Investment securities	59,795	68,603
Long-term loans receivable	18,681	12,121
Guarantee deposits	5,784,034	5,658,828
Other	174,082	142,709
Allowance for doubtful accounts	(41,000)	(35,000)
Total investments and other assets	5,995,594	5,847,263
Total non-current assets	12,772,766	12,939,929
Total assets	25,932,702	25,015,315

(Thousands of yen)

	As of June 30, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	949,587	1,065,645
Short-term borrowings	9,600,000	5,600,000
Current portion of long-term borrowings	3,780,887	823,713
Accounts payable - other	866,836	1,033,309
Accrued expenses	579,015	619,591
Income taxes payable	64,769	47,667
Accrued consumption taxes	382,263	314,499
Provision for bonuses	–	282,260
Other	359,971	413,747
Total current liabilities	16,583,331	10,200,434
Non-current liabilities		
Long-term borrowings	7,158,337	10,433,112
Asset retirement obligations	563,783	547,372
Other	280,183	243,272
Total non-current liabilities	8,002,305	11,223,757
Total liabilities	24,585,636	21,424,192
Net assets		
Shareholders' equity		
Share capital	100,000	100,000
Capital surplus	3,433,240	3,251,596
Retained earnings	(2,170,244)	249,346
Treasury shares	(8,917)	(8,917)
Total shareholders' equity	1,354,078	3,592,025
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(7,012)	(901)
Total accumulated other comprehensive income	(7,012)	(901)
Total net assets	1,347,065	3,591,123
Total liabilities and net assets	25,932,702	25,015,315

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2022	Nine months ended March 31, 2023
Net sales	17,807,248	26,891,336
Cost of sales	17,023,317	19,621,066
Gross profit	783,931	7,270,270
Selling, general and administrative expenses	3,369,319	4,413,850
Operating profit (loss)	(2,585,388)	2,856,419
Non-operating income		
Interest income	429	316
Subsidy income	437,151	82,172
Other	66,220	66,817
Total non-operating income	503,800	149,306
Non-operating expenses		
Interest expenses	78,186	69,170
Commission expenses	175,882	–
Share issuance costs	68,650	–
Borrowing fee	2,652	201,263
Other	56,248	45,072
Total non-operating expenses	381,621	315,506
Ordinary profit (loss)	(2,463,208)	2,690,219
Extraordinary income		
Gain on sale of non-current assets	8,897	43,615
Total extraordinary income	8,897	43,615
Extraordinary losses		
Loss on retirement of non-current assets	1,248	27,062
Dismantling and removal cost	–	239,568
Total extraordinary losses	1,248	266,630
Profit (loss) before income taxes	(2,455,559)	2,467,204
Income taxes	47,613	47,613
Profit (loss)	(2,503,173)	2,419,591
Profit (loss) attributable to owners of parent	(2,503,173)	2,419,591

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2022	Nine months ended March 31, 2023
Profit (loss)	(2,503,173)	2,419,591
Other comprehensive income		
Valuation difference on available-for-sale securities	3,375	6,110
Total other comprehensive income	3,375	6,110
Comprehensive income	(2,499,798)	2,425,701
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,499,798)	2,425,701