

Translation

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

June 30, 2023

Company name: PICKLES HOLDINGS CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 2935 URL <https://www.pickles-hd.co.jp>
 Representative: President and Representative Director Naoji Kageyama
 Managing Director and
 Inquiries: General Manager, Accounting and Finance Toru Mishina TEL 04-2931-0777
 Division
 Scheduled date to file Quarterly Securities Report: July 14, 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 three months ended May 31, 2023 (from March 1, 2023 to May 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	%
Three months ended May 31, 2023	11,485	–	751	–	789	–	526	–
Three months ended May 31, 2022	–	–	–	–	–	–	–	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended May 31, 2023	41.94		41.07	
Three months ended May 31, 2022	–		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of May 31, 2023	27,358	17,521	63.0
As of February 28, 2023	26,308	17,404	65.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended February 28, 2023	–	0.00	–	22.00	22.00
Year ending February 29, 2024	–	–	–	–	–
Year ending February 29, 2024 (Forecast)	–	0.00	–	22.00	22.00

3. Forecast of consolidated financial results for the year ending February 29, 2024 (from March 1, 2023 to February 29, 2024)

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
Six months ending August 31, 2023	22,188	4.1	1,176	0.4	1,236	0.3	800	(3.7)	63.58
Full year	42,200	2.8	1,620	5.3	1,755	6.3	1,150	1.0	91.40

4. Notes

- (1) Changes in significant subsidiaries during the three months ended May 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 May 31, 2023	12,858,430 shares	As of February 28, 2023	12,858,430 shares
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Number of treasury shares at the end of the period

As of May 31, 2023	393,800 shares	As of February 28, 2023	276,100 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2023	12,549,158 shares	Three months ended May 31, 2022	– shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 28, 2023	As of May 31, 2023
Assets		
Current assets		
Cash and deposits	5,940	6,090
Notes and accounts receivable - trade	4,251	5,237
Merchandise and finished goods	348	425
Work in process	75	89
Raw materials and supplies	249	300
Other	384	355
Total current assets	11,249	12,498
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,000	4,907
Machinery, equipment and vehicles, net	1,682	1,622
Land	6,475	6,475
Leased assets, net	43	40
Construction in progress	1	12
Other, net	183	170
Total property, plant and equipment	13,387	13,230
Intangible assets		
Goodwill	304	280
Other	158	144
Total intangible assets	463	425
Investments and other assets		
Investment securities	617	609
Deferred tax assets	511	516
Other	78	78
Total investments and other assets	1,207	1,204
Total non-current assets	15,058	14,859
Total assets	26,308	27,358

(Millions of yen)

	As of February 28, 2023	As of May 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	2,922	3,931
Short-term borrowings	1,300	1,100
Current portion of long-term borrowings	806	752
Lease liabilities	8	8
Income taxes payable	220	276
Provision for bonuses	171	66
Provision for bonuses for directors (and other officers)	17	–
Other	1,812	1,903
Total current liabilities	7,257	8,039
Non-current liabilities		
Long-term borrowings	528	678
Lease liabilities	11	9
Deferred tax liabilities	10	10
Retirement benefit liability	762	775
Negative goodwill	21	12
Other	310	310
Total non-current liabilities	1,646	1,797
Total liabilities	8,904	9,837
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	2,803	2,803
Retained earnings	14,417	14,666
Treasury shares	(324)	(463)
Total shareholders' equity	16,995	17,106
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	142	131
Total accumulated other comprehensive income	142	131
Share acquisition rights	265	282
Non-controlling interests	0	0
Total net assets	17,404	17,521
Total liabilities and net assets	26,308	27,358

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended May 31, 2023
Net sales	11,485
Cost of sales	8,985
Gross profit	2,499
Selling, general and administrative expenses	1,748
Operating profit	751
Non-operating income	
Interest income	0
Dividend income	0
Amortization of negative goodwill	9
Share of profit of entities accounted for using equity method	9
Rental income	8
Other	16
Total non-operating income	44
Non-operating expenses	
Interest expenses	1
Rental expenses	4
Other	0
Total non-operating expenses	6
Ordinary profit	789
Extraordinary income	
Subsidy income	0
Total extraordinary income	0
Extraordinary losses	
Loss on disposal of non-current assets	0
Total extraordinary losses	0
Profit before income taxes	789
Income taxes	263
Profit	526
Profit attributable to non-controlling interests	0
Profit attributable to owners of parent	526

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended May 31, 2023
Profit	526
Other comprehensive income	
Valuation difference on available-for-sale securities	(11)
Total other comprehensive income	(11)
Comprehensive income	515
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	515
Comprehensive income attributable to non-controlling interests	0