

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
August 31,2022	—	0.00	—	0.00	0.00
August 31,2023	—	0.00	—		
Fiscal year ending August 31,2023 (Forecast)				0.00	0.00

3. Forecast of consolidated financial results for the year ending August 31,2023 (from September 1,2022 to August 31,2023)

(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	1,821	-24.4	-137	—	-133	—	-144	—	-20.34

4. Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: 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 May 31,2023	7,105,400 shares
As of August 31,2022	7,055,400 shares

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

As of May 31,2023	— shares
As of August 31,2022	— shares

- (iii) Average number of shares outstanding during the period

Three months ended May 31,2023	7,077,400 shares
Three months ended May 31,2022	6,839,380 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
(Caution regarding forward-looking statements, etc.)

The forward-looking statements in this material, such as forecasts of business performance, are based on the information currently available to us and certain assumptions that we judge to be reasonable, and we promise that we will achieve them. not. In addition, actual results may differ significantly due to various factors.

Quarterly consolidated financial statements and principal notes
Quarterly consolidated balance sheet

(Thousands of yen)

	As of August 31,2022	As of May 31,2023
Assets		
Current assets		
Cash and deposits	936,086	297,531
Accounts receivable-trade, and contract assets	328,675	278,272
Merchandise and finished goods	276,415	624,281
Raw materials and supplies	44,080	47,914
Other	70,723	256,727
Allowance for doubtful accounts	-2,905	-2,271
Total current assets	1,653,075	1,502,456
Non-current assets		
Property, plant and equipment		
Buildings	—	484,953
Accumulated depreciation	—	-4,041
Buildings, net	—	480,912
Facilities attached to buildings	1,993	148,379
Accumulated depreciation	-642	-5,265
Facilities attached to buildings, net	1,351	143,113
Structures	—	18,101
Accumulated depreciation	—	-341
Structures, net	—	17,759
Vehicles	641	641
Accumulated depreciation	-641	-641
Vehicles, net	0	0
Tools, furniture and fixtures	134,086	173,977
Accumulated depreciation	-122,926	-141,098
Tools, furniture and fixtures, net	11,160	32,879
Land	292,589	292,589
Construction in progress	380,076	—
Total property, plant and equipment	685,177	967,254
Intangible assets	17,593	37,102
Investments and other assets		
Investment securities	104,000	205,250
Other	60,060	69,597
Allowance for doubtful accounts	-355	-355
Total investments and other assets	163,705	274,492
Total non-current assets	866,477	1,278,849
Total assets	2,519,553	2,781,305

(Thousands of yen)

	As of August 31,2022	As of May 31,2023
Liabilities		
Current liabilities		
Accounts payable - trade	163,265	132,968
Short-term borrowings	—	500,000
Income taxes payable	116,868	31,578
Provision for bonuses	43,710	61,716
Provision for product warranties	17,245	7,284
Provision for loss on orders received	4,781	4,119
Other	99,818	83,558
Total current liabilities	445,689	821,226
Non-current liabilities		
Asset retirement obligations	1,643	1,643
Total non-current liabilities	1,643	1,643
Total liabilities	447,333	822,869
Net assets		
Shareholders' equity		
Share capital	789,412	803,787
Capital surplus	779,412	793,787
Retained earnings	501,633	357,775
Total shareholders' equity	2,070,458	1,955,350
Accumulated other comprehensive income		
Foreign currency translation adjustment	1,761	3,085
Total accumulated other comprehensive income	1,761	3,085
Total net assets	2,072,219	1,958,435
Total liabilities and net assets	2,519,553	2,781,305

Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
Quarterly consolidated statement of income
Third quarterly consolidated cumulative accounting period

(Thousands of yen)

	Nine months ended May 31,2022	Nine months ended May 31,2023
Net sales	1,822,054	1,227,646
Cost of sales	1,043,635	824,176
Gross profit	778,419	403,469
Selling, general and administrative expenses	511,511	556,544
Operating profit (loss)	266,907	-153,074
Non-operating income		
Interest and dividend income	99	181
Foreign exchange gains	55,772	25,826
Miscellaneous income	602	1,075
Total non-operating income	56,474	27,083
Non-operating expenses		
Interest expenses	23	514
Provision of allowance for doubtful accounts	—	109
Miscellaneous expenses	108	—
Total non-operating expenses	132	623
Ordinary profit (loss)	323,250	-126,615
Extraordinary income		
Subsidy income	144	2,061
Other	67	—
Total extraordinary income	211	2,061
Extraordinary losses		
Loss on retirement of non-current assets	0	66
Total extraordinary losses	0	66
Profit (loss) before income taxes	323,461	-124,620
Income taxes - current	106,980	6,895
Income taxes - deferred	17,785	12,342
Total income taxes	124,765	19,238
Profit (loss)	198,695	-143,858
Profit (loss) attributable to owners of parent	198,695	-143,858

Quarterly consolidated statement of comprehensive income
 Third quarterly consolidated cumulative accounting period

(Thousands of yen)

	Nine months ended May 31,2022	Nine months ended May 31,2023
Profit(loss)	198,695	-143,858
Other comprehensive income		
Foreign currency translation adjustment	4,637	1,324
Total other comprehensive income	4,637	1,324
Comprehensive income(loss)	203,333	-142,534
Comprehensive income(loss) attributable to		
Comprehensive income attributable to owners of parent	203,333	-142,534
Comprehensive income attributable to non-controlling interests	—	—