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August 14, 2023

Consolidated Financial Results for the Three Months Ended June 30, 2023 (Under Japanese GAAP)

Company name: Traders Holdings Co., Ltd.
 Listing: Tokyo Stock Exchange (Standard Market)
 Securities code: 8704
 URL: <https://www.tradershd.com/>
 Representative: Takayuki Kanamaru, Chairman and President
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 Telephone: +81-3-6736-9850
 Scheduled date to file quarterly securities report: August 14, 2023
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the Three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended										
June 30, 2023	2,840	18.5	2,787	19.5	1,593	43.8	1,582	43.5	1,312	37.9
June 30, 2022	2,397	54.3	2,332	55.8	1,108	134.7	1,102	134.9	951	76.0

Note: Comprehensive income For the Three months ended June 30, 2023: 1,328 Millions of yen [35.9%]
 For the Three months ended June 30, 2022: 977 Millions of yen [82.9%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	45.68	-
June 30, 2022	32.65	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2023	99,606	12,813	12.9	446.14
March 31, 2023	88,317	11,975	13.6	416.91

[Reference] Shareholder's Equity: As of June 30, 2023: 12,813 Millions of yen
 As of March 31, 2023: 11,975 Millions of yen

2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31,2023	Yen —	Yen 0.00	Yen —	Yen 17.00	Yen 17.00
Fiscal year ending March 31,2024	—				
Fiscal year ending March 31,2024 (Forecast)		8.00	—	—	—

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

The year-end dividend forecast for the fiscal year ending March 31, 2024 yet been determined at this point.

3. Financial Forecasts for the Fiscal Year Ending March 31,2024

(From April 1 ,2023 to March 31,2024)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	10,100	9.8	4,000	6.9	4,000	7.2	3,000	(6.8)	104.44

Note: Revisions to financial forecasts disclosed most recently: None

* **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: None
- (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

(4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30,2023	29,538,647 shares
As of March 31,2023	29,538,647 shares

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

As of June 30,2023	817,484 shares
As of March 31,2023	815,364 shares

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

Three months ended June 30,2023	28,722,980 shares
Three months ended June 30,2022	29,144,465 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

Forecasts and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual results may differ significantly from the forecasts due to various factors.

* This document is an English translation of a Japanese announcement made on the date above. Although the we intended to faithfully translate the Japanese document into English, the accuracy and this English translation is not guaranteed and thus you are encouraged to refer to the original Japanese document.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2023)	Current quarter (As of June 30, 2023)
Assets		
Current assets		
Cash and deposits	5,235	7,194
Work in process	6	-
Segregated deposits	72,646	83,208
Segregated deposits for customers	72,634	83,196
Other segregated deposits	12	12
Trading products	543	1,234
Short-term guarantee deposits	7,119	5,382
Margin deposits for foreign exchanges	6,762	5,021
Margin deposits for crypto assets	352	356
Margin deposits for other assets	5	5
Other	779	581
Allowance for doubtful accounts	(10)	(24)
Total current assets	86,320	97,576
Non-current assets		
Property, plant and equipment	285	305
Buildings	213	218
Accumulated depreciation	(6)	(17)
Buildings, net	207	201
Tools, furniture and fixtures	132	164
Accumulated depreciation	(54)	(60)
Tools, furniture and fixtures, net	78	103
Intangible assets	638	659
Software	609	658
Other	29	1
Investments and other assets	1,072	1,064
Long-term advance paid	173	171
Long-term deposits	172	178
Deferred tax assets	543	529
Other	356	355
Allowance for doubtful accounts	(173)	(172)
Total non-current assets	1,997	2,030
Total assets	88,317	99,606

(Millions of yen)

	Previous fiscal year (As of March 31, 2023)	Current quarter (As of June 30, 2023)
Liabilities		
Current liabilities		
Trading products	208	556
Deposits received	20	215
Guarantee deposits received	73,083	82,850
Margin deposits received for foreign exchanges	72,949	82,740
Margin deposits received for crypto assets	134	109
Short-term borrowings	860	960
Current portion of long-term borrowings	72	72
Current portion of bonds payable	100	100
Income taxes payable	288	276
Provision for bonuses	181	43
Other	411	616
Total current liabilities	75,226	85,689
Non-current liabilities		
Bonds payable	600	600
Long-term borrowings	463	445
Provision for retirement benefits for directors (and other officers)	16	19
Retirement benefit liability	36	37
Other	0	0
Total non-current liabilities	1,115	1,103
Total liabilities	76,342	86,792
Net assets		
Shareholders' equity		
Share capital	1,564	1,564
Capital surplus	901	901
Retained earnings	9,768	10,591
Treasury shares	(310)	(312)
Total shareholders' equity	11,922	12,745
Accumulated other comprehensive income		
Foreign currency translation adjustment	52	68
Total accumulated other comprehensive income	52	68
Total net assets	11,975	12,813
Total liabilities and net assets	88,317	99,606

Quarterly consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Operating revenue		
Commission received	28	15
Net trading income	2,283	2,746
Financial revenue	0	0
Other sales	83	77
Other	1	-
Total operating revenue	2,397	2,840
Financial expenses	13	13
Cost of sales	52	39
Net operating revenue	2,332	2,787
Selling, general and administrative expenses		
Trading related expenses	579	339
Personnel expenses	410	478
Real estate expenses	111	188
Office expenses	15	25
Depreciation	58	68
Taxes and dues	22	31
Other	26	62
Total selling, general and administrative expenses	1,223	1,194
Operating profit	1,108	1,593
Non-operating income		
Interest and dividend income	0	0
Subsidy income	7	-
Other	2	0
Total non-operating income	9	0
Non-operating expenses		
Interest expenses	3	3
Foreign exchange losses	11	8
Other	0	0
Total non-operating expenses	15	12
Ordinary profit	1,102	1,582
Extraordinary income		
Reversal of provision for bonuses	-	3
Total extraordinary income	-	3
Extraordinary losses		
Head office relocation expenses	-	9
Other	-	1
Total extraordinary losses	-	11
Profit before income taxes	1,102	1,573
Income taxes - current	150	248
Income taxes - deferred	-	13
Total income taxes	150	261
Profit	951	1,312
Profit attributable to owners of parent	951	1,312

Consolidated statements of comprehensive income(cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	951	1,312
Other comprehensive income		
Foreign currency translation adjustment	25	16
Total other comprehensive income	25	16
Comprehensive income	977	1,328
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	976	1,328
Comprehensive income attributable to non-controlling interests	0	-