

Translation

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

September 29, 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: October 13, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended August 31, 2023 (from March 1, 2023 to August 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	%
Six months ended August 31, 2023	23,111	–	1,280	–	1,355	–	915	–
Six months ended August 31, 2022	–	–	–	–	–	–	–	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended August 31, 2023	73.27		71.69	
Six months ended August 31, 2022	–		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2023	28,526	17,916	61.7
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	–	–	–	22.00	22.00
Year ending February 29, 2024	–	0.00	–	–	–
Year ending February 29, 2024 (Forecast)	–	–	–	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
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 six months ended August 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 August 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 August 31, 2023	421,400 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)

Six months ended August 31, 2023	12,493,127 shares	Six months ended August 31, 2022	– shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 28, 2023	As of August 31, 2023
Assets		
Current assets		
Cash and deposits	5,940	7,927
Notes and accounts receivable - trade	4,251	5,000
Merchandise and finished goods	348	459
Work in process	75	83
Raw materials and supplies	249	287
Other	384	65
Total current assets	11,249	13,823
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,000	4,819
Machinery, equipment and vehicles, net	1,682	1,568
Land	6,475	6,464
Leased assets, net	43	37
Construction in progress	1	17
Other, net	183	158
Total property, plant and equipment	13,387	13,067
Intangible assets		
Goodwill	304	255
Other	158	143
Total intangible assets	463	399
Investments and other assets		
Investment securities	617	648
Deferred tax assets	511	508
Other	78	78
Total investments and other assets	1,207	1,236
Total non-current assets	15,058	14,702
Total assets	26,308	28,526

(Millions of yen)

	As of February 28, 2023	As of August 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	2,922	3,999
Short-term borrowings	1,300	1,100
Current portion of long-term borrowings	806	328
Lease liabilities	8	8
Income taxes payable	220	485
Provision for bonuses	171	164
Provision for bonuses for directors (and other officers)	17	–
Other	1,812	1,743
Total current liabilities	7,257	7,830
Non-current liabilities		
Long-term borrowings	528	1,651
Lease liabilities	11	7
Deferred tax liabilities	10	13
Retirement benefit liability	762	792
Negative goodwill	21	3
Other	310	311
Total non-current liabilities	1,646	2,779
Total liabilities	8,904	10,609
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	2,803	2,803
Retained earnings	14,417	15,055
Treasury shares	(324)	(499)
Total shareholders' equity	16,995	17,459
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	142	151
Total accumulated other comprehensive income	142	151
Share acquisition rights	265	305
Non-controlling interests	0	0
Total net assets	17,404	17,916
Total liabilities and net assets	26,308	28,526

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

Consolidated statements of income (cumulative)

	(Millions of yen)
	Six months ended August 31, 2023
Net sales	23,111
Cost of sales	18,316
Gross profit	4,795
Selling, general and administrative expenses	3,515
Operating profit	1,280
Non-operating income	
Interest income	0
Dividend income	4
Amortization of negative goodwill	18
Share of profit of entities accounted for using equity method	15
Rental income	16
Surplus distributed in accordance with the amount of use of businesses	8
Other	23
Total non-operating income	87
Non-operating expenses	
Interest expenses	2
Rental expenses	8
Other	0
Total non-operating expenses	12
Ordinary profit	1,355
Extraordinary income	
Gain on sale of non-current assets	6
Subsidy income	0
Compensation income	10
Total extraordinary income	17
Extraordinary losses	
Loss on disposal of non-current assets	0
Total extraordinary losses	0
Profit before income taxes	1,372
Income taxes	456
Profit	915
Profit attributable to non-controlling interests	0
Profit attributable to owners of parent	915

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended August 31, 2023
Profit	915
Other comprehensive income	
Valuation difference on available-for-sale securities	8
Total other comprehensive income	8
Comprehensive income	923
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	923
Comprehensive income attributable to non-controlling interests	0