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## Consolidated Financial Results for the Six Months Ended August 31, 2023 [Japanese GAAP]

October 11, 2023

Company name: EAT&HOLDINGS Co.,Ltd

Stock exchange listing: Tokyo

Code number: 2882

URL: <https://www.eat-and.jp/>

Representative: Hiroyasu Nakata

Representative director, COO

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Director, CFO

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Scheduled date of filing quarterly securities report: October 12, 2023

Scheduled date of commencing dividend payments: November 2, 2023

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Six Months Ended August 31, 2023 (March 1, 2023 to August 31, 2023)

#### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	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	17,764	10.3	622	10.4	634	(9.0)	361	6.9
August 31, 2022	16,104	9.0	564	51.1	697	0.1	338	13.1

(Note) Comprehensive income: Six months ended August 31, 2023: ¥ 369 million [ 7.4%]  
Six months ended August 31, 2022: ¥ 344 million [ 13.2%]

	Basic earnings per share	Diluted earnings per share
Six months ended August 31, 2023	Yen 34.64	Yen 34.37
August 31, 2022	33.30	33.28

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of August 31, 2023	Millions of yen 25,595	Millions of yen 9,810	38.0
February 28, 2023	23,133	8,139	34.9

(Reference) Equity: As of August 31, 2023: ¥ 9,719 million  
As of February 28, 2023: ¥ 8,081 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2023	-	5.00	-	5.00	10.00
Fiscal year ending February 29, 2024	-	5.00			
Fiscal year ending February 29, 2024 (Forecast)			-	5.00	10.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending February 29, 2024 :

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 29, 2024(March 1, 2023 to February 29, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		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	36,000	9.0	1,100	20.2	1,100	4.5	450	16.8	44.25

(Note) Revision to the financial results forecast announced most recently: No

\* Notes:

(1) Changes in significant subsidiaries during the six months ended August 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

August 31, 2023: 10,821,813 shares

February 28, 2023: 10,169,506 shares

2) Number of treasury shares at the end of the period:

August 31, 2023: 959 shares

February 28, 2023: 959 shares

3) Average number of shares outstanding during the period:

Six months ended August 31, 2023: 10,444,367 shares

Six months ended August 31, 2022: 10,161,475 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2023	As of August 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	1,558	2,415
Accounts receivable - trade	6,086	6,309
Merchandise and finished goods	1,161	1,431
Raw materials and supplies	321	384
Other	624	716
Total current assets	9,751	11,257
Non-current assets		
Property, plant and equipment		
Buildings, net	6,393	6,424
Land	1,080	1,080
Machinery, equipment and vehicles, net	3,166	3,675
Other, net	851	1,274
Total property, plant and equipment	11,492	12,455
Intangible assets		
Other	160	158
Total intangible assets	160	158
Investments and other assets		
Deferred tax assets	618	615
Other	1,118	1,115
Allowance for doubtful accounts	(7)	(7)
Total investments and other assets	1,729	1,724
Total non-current assets	13,381	14,337
Total assets	23,133	25,595

(Millions of yen)

	As of February 28, 2023	As of August 31, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,254	2,555
Short-term borrowings	1,794	2,144
Current portion of long-term borrowings	902	871
Accounts payable - other	3,118	3,248
Income taxes payable	137	286
Provision for bonuses	197	239
Provision for bonuses for directors (and other officers)	45	28
Refund liabilities	1,015	996
Other	882	957
Total current liabilities	10,348	11,326
Non-current liabilities		
Long-term borrowings	3,272	3,132
Retirement benefit liability	185	194
Other	1,188	1,130
Total non-current liabilities	4,645	4,457
Total liabilities	14,994	15,784
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,029	2,684
Capital surplus	1,960	2,614
Retained earnings	4,078	4,389
Treasury shares	(0)	(0)
Total shareholders' equity	8,067	9,686
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4	7
Foreign currency translation adjustment	9	23
Remeasurements of defined benefit plans	0	1
Total accumulated other comprehensive income	14	32
Share acquisition rights	22	9
Non-controlling interests	34	82
Total net assets	8,139	9,810
Total liabilities and net assets	23,133	25,595

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Millions of yen)

	For the six months ended August 31, 2022	For the six months ended August 31, 2023
Net sales	16,104	17,764
Cost of sales	9,478	10,765
Gross profit	6,625	6,998
Selling, general and administrative expenses	6,061	6,376
Operating profit	564	622
Non-operating income		
Interest income	0	0
Dividend income	0	0
Subsidy income	123	-
Cancellation income	-	30
Other	16	12
Total non-operating income	140	42
Non-operating expenses		
Share acquisition rights issuance costs	-	12
Interest expenses	6	11
Other	0	6
Total non-operating expenses	7	30
Ordinary profit	697	634
Extraordinary income		
Gain on sale of non-current assets	0	-
Gain on state subsidy	20	-
Gain on reversal of share acquisition rights	-	16
Total extraordinary income	20	16
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	20	-
Loss on sale and retirement of non-current assets	0	-
Loss on store closings	13	10
Impairment losses	66	28
Total extraordinary losses	100	38
Profit before income taxes	617	612
Income taxes	292	262
Profit	325	349
Loss attributable to non-controlling interests	(13)	(11)
Profit attributable to owners of parent	338	361

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Millions of yen)

	For the six months ended August 31, 2022	For the six months ended August 31, 2023
Profit	325	349
Other comprehensive income		
Valuation difference on available-for-sale securities	0	3
Foreign currency translation adjustment	16	16
Remeasurements of defined benefit plans, net of tax	2	0
Total other comprehensive income	19	20
Comprehensive income	344	369
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	355	379
Comprehensive income attributable to non-controlling interests	(10)	(9)

Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended August 31, 2022	For the six months ended August 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	617	612
Depreciation	531	660
Impairment losses	66	28
Loss on store closings	12	10
Increase (decrease) in retirement benefit liability	3	9
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(481)	-
Increase (decrease) in provision for bonuses	(21)	41
Increase (decrease) in provision for bonuses for directors (and other officers)	(20)	(16)
Increase (decrease) in refund liabilities	(98)	(19)
Interest and dividend income	(0)	(0)
Interest expenses	6	11
Loss (gain) on sale and retirement of non-current assets	(0)	-
Decrease (increase) in trade receivables	437	(219)
Decrease (increase) in inventories	(363)	(332)
Decrease (increase) in prepaid expenses	(40)	(177)
Increase (decrease) in trade payables	142	299
Increase (decrease) in accounts payable - other	(113)	(60)
Increase (decrease) in accrued consumption taxes	(167)	(60)
Increase (decrease) in guarantee deposits received	(26)	(21)
Increase (decrease) in long-term accounts payable - other	487	(4)
Other, net	0	134
Subtotal	973	896
Interest and dividends received	0	0
Interest paid	(6)	(10)
Income taxes paid	(413)	(275)
Consumption taxes refund	-	199
Net cash provided by (used in) operating activities	554	809
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,783)	(1,414)
Proceeds from sale of property, plant and equipment	0	-
Purchase of intangible assets	(22)	(23)
Proceeds from sale of investment securities	-	2
Payments of guarantee deposits	(31)	(16)
Proceeds from refund of guarantee deposits	54	26
Other, net	23	0
Net cash provided by (used in) investing activities	(1,758)	(1,425)

(Millions of yen)

	For the six months ended August 31, 2022	For the six months ended August 31, 2023
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	289	350
Proceeds from long-term borrowings	1,450	300
Repayments of long-term borrowings	(262)	(470)
Proceeds from issuance of shares	-	1,253
Proceeds from share issuance to non-controlling shareholders	-	56
Dividends paid	(50)	(50)
Repayments of lease liabilities	(7)	(4)
Proceeds from exercise of employee share options	-	19
Proceeds from issuance of share acquisition rights	-	13
Net cash provided by (used in) financing activities	1,418	1,466
Effect of exchange rate change on cash and cash equivalents	4	7
Net increase (decrease) in cash and cash equivalents	219	857
Cash and cash equivalents at beginning of period	1,622	1,558
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	12	-
Cash and cash equivalents at end of period	1,853	2,415