

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended November 30, 2023 (Based on Japanese GAAP)

December 28, 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: January 12, 2024
 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 nine months ended November 30, 2023 (from March 1, 2023 to November 30, 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	%
Nine months ended November 30, 2023	33,255	6.6	1,458	3.7	1,544	3.7	1,033	5.6
Nine months ended November 30, 2022	31,206	–	1,407	–	1,490	–	978	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended November 30, 2023	82.83		80.92	
Nine months ended November 30, 2022	76.10		74.75	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2023	28,024	18,057	63.2
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)	–	–	–	24.00	24.00

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 nine months ended November 30, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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 November 30, 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 November 30, 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)

Nine months ended November 30, 2023	12,474,564 shares	Nine months ended November 30, 2022	12,858,430 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Assets		
Current assets		
Cash and deposits	5,940	7,838
Notes and accounts receivable - trade	4,251	4,273
Merchandise and finished goods	348	461
Work in process	75	67
Raw materials and supplies	249	275
Other	384	79
Total current assets	11,249	12,995
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,000	4,722
Machinery, equipment and vehicles, net	1,682	1,544
Land	6,475	6,527
Leased assets, net	43	34
Construction in progress	1	467
Other, net	183	148
Total property, plant and equipment	13,387	13,445
Intangible assets		
Goodwill	304	230
Other	158	133
Total intangible assets	463	364
Investments and other assets		
Investment securities	617	627
Deferred tax assets	511	512
Other	78	78
Total investments and other assets	1,207	1,219
Total non-current assets	15,058	15,028
Total assets	26,308	28,024

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	2,922	3,200
Short-term borrowings	1,300	1,100
Current portion of long-term borrowings	806	460
Lease liabilities	8	7
Income taxes payable	220	291
Provision for bonuses	171	66
Provision for bonuses for directors (and other officers)	17	–
Other	1,812	2,064
Total current liabilities	7,257	7,190
Non-current liabilities		
Long-term borrowings	528	1,635
Lease liabilities	11	6
Deferred tax liabilities	10	11
Retirement benefit liability	762	805
Negative goodwill	21	–
Other	310	317
Total non-current liabilities	1,646	2,776
Total liabilities	8,904	9,966
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	2,803	2,803
Retained earnings	14,417	15,173
Treasury shares	(324)	(499)
Total shareholders' equity	16,995	17,577
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	142	139
Total accumulated other comprehensive income	142	139
Share acquisition rights	265	329
Non-controlling interests	0	11
Total net assets	17,404	18,057
Total liabilities and net assets	26,308	28,024

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023
Net sales	31,206	33,255
Cost of sales	24,521	26,585
Gross profit	6,685	6,670
Selling, general and administrative expenses	5,278	5,211
Operating profit	1,407	1,458
Non-operating income		
Interest income	0	0
Dividend income	5	6
Amortization of negative goodwill	28	21
Share of profit of entities accounted for using equity method	17	9
Rental income	25	25
Surplus distributed in accordance with the amount of use of businesses	8	8
Other	16	33
Total non-operating income	100	104
Non-operating expenses		
Interest expenses	4	4
Rental expenses	13	13
Other	–	0
Total non-operating expenses	17	18
Ordinary profit	1,490	1,544
Extraordinary income		
Gain on sale of non-current assets	–	6
Gain on sale of investment securities	8	–
Subsidy income	4	1
Compensation income	–	10
Total extraordinary income	13	19
Extraordinary losses		
Loss on disposal of non-current assets	9	3
Total extraordinary losses	9	3
Profit before income taxes	1,494	1,559
Income taxes	516	527
Profit	978	1,032
Profit (loss) attributable to non-controlling interests	0	(0)
Profit attributable to owners of parent	978	1,033

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023
Profit	978	1,032
Other comprehensive income		
Valuation difference on available-for-sale securities	1	(3)
Total other comprehensive income	1	(3)
Comprehensive income	980	1,029
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	980	1,029
Comprehensive income attributable to non-controlling interests	0	(0)