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January 11, 2024

Financial Results for the Nine Months Ended November 30, 2023 (Under Japanese GAAP)(Consolidated)

Company name: RORZE CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 6323
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 Submission of quarterly securities filing: January 15, 2024
 Scheduled date of payment of cash dividends : —
 The additional materials for the quarterly financial results: Yes
 The briefing session for the quarterly financial results: None

(Amounts less than one million yen are rounded down unless otherwise noted.)

1. Consolidated Financial Results for the Nine Months Ended November 30, 2023

(March 1, 2023, through November 30, 2023)

(1) Consolidated operating results

(Percent indications show percentage of changes from corresponding figures for the year-ago 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	%
Nine months ended								
November 30, 2023	65,162	△8.7	15,763	△11.1	21,326	△20.0	15,487	△21.2
November 30, 2022	71,382	53.2	17,739	64.6	26,652	122.7	19,666	125.7

Note: Comprehensive income For the Nine months ended November 30, 2023: ¥20,723 million [△20.0%]
 For the Nine months ended November 30, 2022: ¥25,893 million [134.7%]

	Earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
November 30, 2023	879.05	877.43
November 30, 2022	1,138.05	1,135.91

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
November 30, 2023	153,595	96,955	58.3
February 28, 2023	126,482	74,795	53.9

Reference: Shareholder's equity
 As of November 30, 2023: ¥89,617 million
 As of February 28, 2023: ¥68,222 million

2. Dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2023	—	0.00	—	135.00	135.00
Fiscal year ended February 29, 2024	—	0.00	—		
Fiscal year ending February 29, 2024(Forecast)				135.00	135.00

Note: Revisions to the most recently announced dividend forecast: None

3. Forecast of consolidated operating results for Fiscal Year ending February 29, 2024 (March 1, 2023 through February 29, 2024)

(Percent indications show percentage of changes from corresponding figures for the previous period.)

	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
Fiscal year ending February 29, 2024	88,026	△6.9	21,619	△18.2	21,553	△29.0	15,718	△26.5	892.13

Note: Revisions to the most recently announced operating results forecast: None

***Notes**

- (1) Significant changes in scope of consolidated subsidiaries: None
- (2) Adoption of specific accounting policies for quarterly consolidated financial statements : None
- (3) Changes in accounting policies, accounting estimation change and restatement
- (3) -1 Changes in accounting policies due to the revision of the accounting standards. : None
- (3) -2 Changes in accounting policies except for those in (3)-1 : None
- (3) -3 Changes due to accounting estimation change : None
- (3) -4 Restatement : None

(4) Number of shares issued

- (4) -1 Total number of shares issued at the end of the period (including treasury stocks)

As of November 30, 2023	17,640,000 shares
As of February 28, 2023	17,640,000 shares

- (4) -2 Number of treasury stocks at the end of the period

As of November 30, 2023	19,791 shares
As of February 28, 2023	358,747 shares

- (4) -3 Average number of shares issued during the Nine months ended November 30

Fiscal year ended February 29, 2024	17,618,981 shares
Fiscal year ended February 28, 2023	17,281,305 shares

※This Quarterly Financial Results report is out of scope of review by certified public accountants or an audit firm

※ Explanation regarding the appropriate use of forecast of operating results and other special notes (Notes on forward-looking statements)

The financial forecast of operating results is based on judgements and estimates that have been made using currently available information. By nature, such financial forecast is subject to uncertainty and risk. Therefore, the final results might be significantly different from the aforementioned forecast due to changes in economic environments related to our business, market trends, exchange rate, etc.

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Assets		
Current assets		
Cash and deposits	28,292	36,731
Notes and accounts receivable - trade	26,722	21,963
Merchandise and finished goods	2,778	5,099
Work in process	14,067	16,074
Raw materials and supplies	25,988	35,675
Other	2,150	2,659
Allowance for doubtful accounts	△12	△36
Total current assets	99,986	118,168
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,398	11,484
Machinery, equipment and vehicles, net	6,209	6,219
Land	4,415	4,703
Other, net	1,079	903
Total property, plant and equipment	22,102	23,310
Intangible assets		
Goodwill	—	4,566
Other	643	666
Total intangible assets	643	5,233
Investments and other assets		
Investment securities	1,369	2,245
Retirement benefit asset	189	205
Deferred tax assets	1,290	1,626
Other	954	2,867
Allowance for doubtful accounts	△53	△60
Total investments and other assets	3,749	6,883
Total non-current assets	26,496	35,427
Total assets	126,482	153,595

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,350	6,538
Short-term borrowings	14,936	16,005
Income taxes payable	4,268	2,498
Provision for bonuses	1,021	1,448
Provision for bonuses for directors (and other officers)	72	3
Provision for product warranties	1,287	1,279
Other	4,107	6,822
Total current liabilities	33,044	34,596
Non-current liabilities		
Long-term borrowings	17,887	20,898
Provision for retirement benefits for directors (and other officers)	306	421
Retirement benefit liability	67	69
Asset retirement obligations	272	316
Deferred tax liabilities	105	159
Other	3	177
Total non-current liabilities	18,643	22,043
Total liabilities	51,687	56,640
Net assets		
Shareholders' equity		
Share capital	982	982
Capital surplus	1,470	5,231
Retained earnings	61,221	74,376
Treasury shares	△55	△3
Total shareholders' equity	63,619	80,588
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	153	198
Foreign currency translation adjustment	4,449	8,830
Total accumulated other comprehensive income	4,602	9,029
Share acquisition rights	85	85
Non-controlling interests	6,487	7,252
Total net assets	74,795	96,955
Total liabilities and net assets	126,482	153,595

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statement of Income)

(Millions of yen)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023
Net sales	71,382	65,162
Cost of sales	47,551	41,403
Gross profit	23,831	23,759
Selling, general and administrative expenses	6,092	7,995
Operating profit	17,739	15,763
Non-operating income		
Interest income	8	44
Dividend income	8	8
Foreign exchange gains	9,742	5,724
Electricity sale income	50	42
Other	206	246
Total non-operating income	10,016	6,066
Non-operating expenses		
Interest expenses	36	54
Electricity sale expenses	19	20
Derivative Expense	1,028	386
Other	19	42
Total non-operating expenses	1,103	504
Ordinary profit	26,652	21,326
Extraordinary income		
Gain on sale of non-current assets	11	2
Total extraordinary income	11	2
Extraordinary losses		
Loss on sale of non-current assets	—	0
Loss on retirement of non-current assets	5	7
Total extraordinary losses	5	7
Profit before income taxes	26,658	21,321
Income taxes - current	6,007	5,618
Income taxes - deferred	69	△243
Total income taxes	6,077	5,374
Profit	20,580	15,946
Profit attributable to non-controlling interests	913	458
Profit attributable to owners of parent	19,666	15,487

(Quarterly Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023
Profit	20,580	15,946
Other comprehensive income		
Valuation difference on available-for-sale securities	9	44
Foreign currency translation adjustment	5,303	4,732
Total other comprehensive income	5,312	4,777
Comprehensive income	25,893	20,723
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	24,766	19,914
Comprehensive income attributable to non-controlling interests	1,127	809