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February 14, 2024

Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)



Company name: RIDE ON EXPRESS HOLDINGS Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 6082
 URL: <https://www.rideonexpresshd.co.jp/>
 Representative: Akira Emi, President and CEO
 Inquiries: Kazumasa Watanabe, Vice President and Director
 Telephone: +81-3-5444-3611
 Scheduled date of filing quarterly securities report: February 14, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: No

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

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 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 | % |
| Nine months ended | | | | | | | | |
| December 31, 2023 | 17,556 | (7.2) | 513 | (32.0) | 508 | (27.5) | 221 | (50.6) |
| December 31, 2022 | 18,910 | (1.3) | 755 | (51.2) | 701 | (56.7) | 448 | (56.6) |

Note: Comprehensive income For the nine months ended December 31, 2023: ¥248 million [(44.9)%]
 For the nine months ended December 31, 2022: ¥450 million [(56.9)%]

| | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Nine months ended | Yen | Yen |
| December 31, 2023 | 22.75 | – |
| December 31, 2022 | 45.61 | – |

Note: Diluted earnings per share are not presented as dilutive shares did not exist.

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|-------------------|-----------------|-----------------|-----------------------|
| As of | Millions of yen | Millions of yen | % |
| December 31, 2023 | 13,995 | 7,111 | 50.8 |
| March 31, 2023 | 13,539 | 7,131 | 52.7 |

Reference: Equity
 As of December 31, 2023: ¥7,110 million
 As of March 31, 2023: ¥7,130 million

2. Cash dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2023 | – | 0.00 | – | 30.00 | 30.00 |
| Fiscal year ending March 31, 2024 | – | 0.00 | – | | |
| Fiscal year ending March 31, 2024 (Forecast) | | | | 15.00 | 15.00 |

Note: Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

| | 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 | 23,703 | (6.5) | 911 | (27.1) | 890 | (19.0) | 554 | 1.5 | 56.89 |

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023 (changes in specified subsidiaries resulting in change in scope of consolidation): None

Newly included: – companies (Company name: –)

Excluded: – companies (Company name: –)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(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 December 31, 2023 | 10,894,935 shares |
| As of March 31, 2023 | 10,872,086 shares |

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

| | |
|-------------------------|------------------|
| As of December 31, 2023 | 1,140,506 shares |
| As of March 31, 2023 | 1,140,506 shares |

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

| | |
|-------------------------------------|------------------|
| Nine months ended December 31, 2023 | 9,744,273 shares |
| Nine months ended December 31, 2022 | 9,842,152 shares |

* These quarterly financial results are outside the scope of quarterly review conducted by certified public accountants or an audit corporation.

* Explanation on the proper use of financial result forecasts and other notes

(Notes on forward-looking statements, etc.)

The earnings forecasts and forward-looking statements herein are based on judgements and assumptions derived from the information currently available to the Company. Actual results may differ significantly from these forecasts due to the uncertainties inherent in these judgements and assumptions, and changes in the business operation or domestic and international economic environment. Accordingly, the Company does not guarantee the certainty of these forward-looking statements.

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

| | As of March 31, 2023 | As of December 31, 2023 |
|-------------------------------------|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 7,142,744 | 6,399,307 |
| Accounts receivable - trade | 1,050,117 | 2,131,751 |
| Merchandise | 142,170 | 137,817 |
| Raw materials and supplies | 588,910 | 555,989 |
| Other | 696,746 | 1,042,281 |
| Allowance for doubtful accounts | (20,209) | (26,812) |
| Total current assets | 9,600,479 | 10,240,334 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings, net | 703,990 | 679,518 |
| Other, net | 313,329 | 282,042 |
| Total property, plant and equipment | 1,017,319 | 961,560 |
| Intangible assets | 379,178 | 355,185 |
| Investments and other assets | | |
| Investment securities | 1,668,168 | 1,428,162 |
| Allowance for investment loss | (150,000) | - |
| Deferred tax assets | 321,546 | 309,810 |
| Guarantee deposits | 670,011 | 663,934 |
| Other | 74,184 | 82,588 |
| Allowance for doubtful accounts | (41,437) | (45,901) |
| Total investments and other assets | 2,542,473 | 2,438,593 |
| Total non-current assets | 3,938,971 | 3,755,339 |
| Total assets | 13,539,451 | 13,995,673 |

(Thousands of yen)

| | As of March 31, 2023 | As of December 31, 2023 |
|---|----------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 1,282,584 | 2,272,142 |
| Current portion of long-term borrowings | 616,668 | 613,728 |
| Accounts payable - other | 884,598 | 912,022 |
| Income taxes payable | 224,071 | 99,910 |
| Contract liabilities | 47,238 | 40,099 |
| Provision for point card certificates | 230,811 | 281,695 |
| Provision for shareholder benefit program | 71,592 | 28,719 |
| Other | 237,014 | 270,030 |
| Total current liabilities | 3,594,580 | 4,518,348 |
| Non-current liabilities | | |
| Long-term borrowings | 2,263,395 | 1,814,799 |
| Asset retirement obligations | 186,170 | 183,265 |
| Other | 363,705 | 367,518 |
| Total non-current liabilities | 2,813,271 | 2,365,582 |
| Total liabilities | 6,407,851 | 6,883,931 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 1,067,207 | 1,079,100 |
| Capital surplus | 970,828 | 982,721 |
| Retained earnings | 6,677,528 | 6,607,283 |
| Treasury shares | (1,700,321) | (1,700,321) |
| Total shareholders' equity | 7,015,243 | 6,968,784 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 114,893 | 141,479 |
| Total accumulated other comprehensive income | 114,893 | 141,479 |
| Non-controlling interests | 1,463 | 1,477 |
| Total net assets | 7,131,599 | 7,111,742 |
| Total liabilities and net assets | 13,539,451 | 13,995,673 |

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended December 31

(Thousands of yen)

| | For the nine months ended December 31, 2022 | For the nine months ended December 31, 2023 |
|---|--|--|
| Net sales | 18,910,235 | 17,556,155 |
| Cost of sales | 10,056,596 | 9,089,828 |
| Gross profit | 8,853,639 | 8,466,327 |
| Selling, general and administrative expenses | 8,097,950 | 7,952,609 |
| Operating profit | 755,688 | 513,717 |
| Non-operating income | | |
| Interest income | 1,766 | 1,194 |
| Foreign exchange gains | 5,967 | 1 |
| Gain on sale of non-current assets | 2,609 | 25,235 |
| Outsourcing service income | 4,254 | 4,254 |
| Gain on sale of investment securities | 5,840 | 176,914 |
| Other | 6,500 | 7,767 |
| Total non-operating income | 26,938 | 215,367 |
| Non-operating expenses | | |
| Interest expenses | 2,589 | 7,593 |
| Loss on sale and retirement of non-current assets | 1,488 | 15,476 |
| Loss on purchase of store | 57,454 | 18,190 |
| Loss on investments in investment partnerships | 4,851 | 1,345 |
| Loss on valuation of investment securities | 10,103 | 175,390 |
| Other | 4,321 | 2,449 |
| Total non-operating expenses | 80,808 | 220,443 |
| Ordinary profit | 701,818 | 508,641 |
| Extraordinary income | | |
| Insurance claim income | 5,829 | 1,607 |
| Total extraordinary income | 5,829 | 1,607 |
| Extraordinary losses | | |
| Loss on cancellation of leases | 8,850 | 7,263 |
| Other | – | 359 |
| Total extraordinary losses | 8,850 | 7,622 |
| Profit before income taxes | 698,798 | 502,626 |
| Income taxes | 249,894 | 280,913 |
| Profit | 448,904 | 221,712 |
| Profit (loss) attributable to non-controlling interests | (0) | 10 |
| Profit attributable to owners of parent | 448,905 | 221,702 |

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Thousands of yen)

| | For the nine months ended December 31, 2022 | For the nine months ended December 31, 2023 |
|--|--|--|
| Profit | 448,904 | 221,712 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,447 | 26,591 |
| Total other comprehensive income | 1,447 | 26,591 |
| Comprehensive income | 450,351 | 248,303 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 450,362 | 248,289 |
| Comprehensive income attributable to non-controlling interests | (10) | 14 |