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March 11, 2024

## Non-consolidated Financial Results for the Three Months Ended January 31, 2024 (Under Japanese GAAP)



Company name: CellSource Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4880  
 URL: <https://www.cellsource.co.jp/>  
 Representative: Takashi Sawada, Representative Director and CEO  
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 Telephone: +81-3-6455-5308  
 Scheduled date to file quarterly securities report: March 11, 2024  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes (for investors and analysts)

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

### 1. Non-consolidated Financial Results for the Three Months Ended January 31, 2024 (from November 1, 2023 to January 31, 2024)

#### (1) Operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
January 31, 2024	1,173	10.8	205	(41.4)	208	(37.7)	143	(33.4)
January 31, 2023	1,059	29.1	351	43.7	334	36.5	216	38.7

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
January 31, 2024	7.27	7.23
January 31, 2023	11.56	11.24

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
January 31, 2024	6,807	5,960	86.8
October 31, 2023	6,879	6,201	89.4

Reference: Equity

As of January 31, 2024: 5,912 million of yen  
 As of October 31, 2023: 6,150 million of yen

## 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 October 31, 2023	—	0.00	—	20.00	20.00
Fiscal year ending October 31, 2024	—				
Fiscal year ending October 31, 2024 (Forecast)		0.00	—	5.00	5.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Non-consolidated Financial Result Forecasts for the Fiscal Year Ending October 31, 2024 (from November 1, 2023 to October 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,368	19.0	1,003	(17.8)	1,037	(13.1)	719	(22.0)	36.43

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

\* **Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

(2) 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 reasons other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of January 31, 2024	19,806,100 shares
As of October 31, 2023	19,761,100 shares

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

As of January 31, 2024	575 shares
As of October 31, 2023	575 shares

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

Three months ended January 31, 2024	19,791,535 shares
Three months ended January 31, 2023	18,686,457 shares

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts and other special matters

The earnings forecasts and forward-looking statements described herein are based on information currently available to the Company and certain assumptions deemed reasonable, and are not intended to be a promise by the Company to achieve them. As such, actual results may differ significantly from these forecasts due to a wide range of factors.

(Method of obtaining the supplementary material on financial results and details of the financial results briefing)  
The Company plans to hold a briefing online for investors and analysts on Monday, March 11, 2024.

## 2. Quarterly Non-consolidated Financial Statements and Principal Notes

### (1) Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

	As of October 31, 2023	As of January 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	4,781,022	4,678,757
Accounts receivable - trade	364,279	324,238
Merchandise and finished goods	153,453	98,340
Work in process	38,196	42,394
Raw materials and supplies	114,276	111,099
Other	140,739	136,260
Allowance for doubtful accounts	(2,787)	(2,741)
Total current assets	5,589,181	5,388,348
Non-current assets		
Property, plant and equipment	658,740	793,080
Intangible assets	19,809	42,748
Investments and other assets		
Other	612,169	583,582
Allowance for doubtful accounts	(165)	(165)
Total investments and other assets	612,004	583,417
Total non-current assets	1,290,555	1,419,246
Total assets	6,879,736	6,807,595
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	75,463	83,786
Income taxes payable	42,773	62,929
Provision for bonuses	40,012	31,505
Provision for loss on orders received	2,814	2,814
Other	291,091	445,149
Total current liabilities	452,156	626,185
Non-current liabilities		
Asset retirement obligations	148,289	148,289
Other	77,291	72,165
Total non-current liabilities	225,581	220,455
Total liabilities	677,737	846,640
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,425,397	1,426,474
Capital surplus	1,335,397	1,336,474
Retained earnings	3,377,319	3,126,010
Treasury shares	(1,696)	(1,696)
Total shareholders' equity	6,136,418	5,887,262
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	14,034	25,093
Total valuation and translation adjustments	14,034	25,093
Share acquisition rights	51,546	48,598
Total net assets	6,201,999	5,960,954
Total liabilities and net assets	6,879,736	6,807,595

(2) Quarterly Non-consolidated Statements of Income  
Three Months Ended January 31

(Thousands of yen)

	For the three months ended January 31, 2023	For the three months ended January 31, 2024
Net sales	1,059,530	1,173,516
Cost of sales	280,067	409,709
Gross profit	779,462	763,806
Selling, general and administrative expenses	428,175	557,945
Operating profit	351,287	205,861
Non-operating income		
Gain on sale of non-current assets	–	3,000
Miscellaneous income	115	1,869
Total non-operating income	115	4,869
Non-operating expenses		
Interest expenses	–	369
Foreign exchange losses	17,089	45
Loss on cancellation of rental contracts	–	1,594
Other	–	292
Total non-operating expenses	17,089	2,301
Ordinary profit	334,312	208,429
Extraordinary income		
Gain on reversal of share acquisition rights	5,243	4,289
Total extraordinary income	5,243	4,289
Profit before income taxes	339,556	212,718
Income taxes - current	99,481	55,428
Income taxes - deferred	24,030	13,387
Total income taxes	123,512	68,816
Profit	216,044	143,901