

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended February 29, 2024 (Based on Japanese GAAP)

April 12, 2024

Company name: E·J Holdings Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 2153 URL <https://www.ej-hds.co.jp>  
 Representative: President Yuji Kotani  
 Inquiries: Director Masanori Hamano TEL 086(252)7520  
 Scheduled date to file Quarterly Securities Report: April 15, 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 February 29, 2024 (from June 1, 2023 to February 29, 2024)

(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 February 29, 2024	16,143	(0.5)	(633)	–	(399)	–	(420)	–
Nine months ended February 28, 2023	16,226	–	(763)	–	(611)	–	(586)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended February 29, 2024	(26.85)	–
Nine months ended February 28, 2023	(37.56)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 29, 2024	41,844	28,971	69.2
As of May 31, 2023	39,194	29,869	76.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended May 31, 2023	–	0.00	–	50.00	50.00
Year ending May 31, 2024	–	0.00	–		
Year ending May 31, 2024 (Forecast)				55.00	55.00

3. Forecast of consolidated financial results for the year ending May 31, 2024 (from June 1, 2023 to May 31, 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	38,300	2.1	4,600	3.3	4,800	3.8	3,200	4.9	204.32

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended February 29, 2024  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (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: Yes
- 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 February 29, 2024	16,078,920 shares	As of May 31, 2023	16,078,920 shares
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Number of treasury shares at the end of the period

As of February 29, 2024	398,869 shares	As of May 31, 2023	449,402 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended February 29, 2024	15,656,294 shares	Nine months ended February 28, 2023	15,622,797 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of May 31, 2023	As of February 29, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	17,092	10,705
Accounts receivable - trade, and contract assets	5,495	6,423
Securities	100	-
Inventories	2,913	9,193
Other	890	2,283
Allowance for doubtful accounts	(6)	(7)
Total current assets	26,485	28,599
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,731	2,668
Land	2,335	2,335
Other, net	599	587
Total property, plant and equipment	5,666	5,591
Intangible assets		
Goodwill	741	651
Other	1,077	1,431
Total intangible assets	1,818	2,082
Investments and other assets		
Investment securities	3,004	3,012
Bad debts	1	1
Investment property, net	432	427
Deferred tax assets	266	551
Retirement benefit asset	114	139
Other	1,506	1,537
Allowance for doubtful accounts	(102)	(99)
Total investments and other assets	5,223	5,570
Total non-current assets	12,708	13,244
Total assets	39,194	41,844

(Millions of yen)

	As of May 31, 2023	As of February 29, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - operating	1,083	1,318
Short-term borrowings	–	5,200
Current portion of long-term borrowings	229	161
Income taxes payable	490	100
Contract liabilities	2,564	3,132
Provision for bonuses	–	778
Provision for bonuses for directors (and other officers)	22	–
Provision for loss on orders received	245	257
Other	3,660	1,015
<b>Total current liabilities</b>	<b>8,296</b>	<b>11,964</b>
<b>Non-current liabilities</b>		
Long-term borrowings	128	20
Deferred tax liabilities	65	101
Retirement benefit liability	422	361
Provision for share awards for directors (and other officers)	116	111
Provision for Employee Stock Ownership Plan Trust	36	36
Long-term accounts payable - other	176	176
Provision for loss on guarantees	7	4
Other	75	95
<b>Total non-current liabilities</b>	<b>1,028</b>	<b>908</b>
<b>Total liabilities</b>	<b>9,325</b>	<b>12,873</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,803	2,803
Capital surplus	4,379	4,379
Retained earnings	22,371	21,147
Treasury shares	(454)	(403)
<b>Total shareholders' equity</b>	<b>29,100</b>	<b>27,926</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	670	964
Foreign currency translation adjustment	(2)	(3)
Remeasurements of defined benefit plans	93	75
<b>Total accumulated other comprehensive income</b>	<b>761</b>	<b>1,035</b>
<b>Non-controlling interests</b>	<b>8</b>	<b>8</b>
<b>Total net assets</b>	<b>29,869</b>	<b>28,971</b>
<b>Total liabilities and net assets</b>	<b>39,194</b>	<b>41,844</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended February 28, 2023	Nine months ended February 29, 2024
Net sales	16,226	16,143
Cost of sales	11,154	10,865
Gross profit	5,072	5,277
Selling, general and administrative expenses	5,836	5,911
Operating loss	(763)	(633)
Non-operating income		
Interest income	11	8
Dividend income	30	85
Share of profit of entities accounted for using equity method	91	105
Rental income from real estate	27	32
Other	40	45
Total non-operating income	202	276
Non-operating expenses		
Interest expenses	7	8
Rental expenses on real estate	17	19
Guarantee commission	7	8
Provision of allowance for doubtful accounts	6	–
Other	10	6
Total non-operating expenses	50	42
Ordinary loss	(611)	(399)
Extraordinary losses		
Loss on retirement of non-current assets	25	2
Office relocation expenses	6	–
Total extraordinary losses	31	2
Loss before income taxes	(643)	(402)
Income taxes - current	318	376
Income taxes - deferred	(377)	(357)
Total income taxes	(59)	18
Loss	(584)	(420)
Profit attributable to non-controlling interests	2	–
Loss attributable to owners of parent	(586)	(420)

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended February 28, 2023	Nine months ended February 29, 2024
Loss	(584)	(420)
Other comprehensive income		
Valuation difference on available-for-sale securities	43	293
Foreign currency translation adjustment	1	(0)
Remeasurements of defined benefit plans, net of tax	(39)	(17)
Total other comprehensive income	6	275
Comprehensive income	(578)	(145)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(527)	(145)
Comprehensive income attributable to non-controlling interests	2	0