

Translation

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Summary of Consolidated Financial Results for the Six Months Ended August 31, 2024 (Based on Japanese GAAP)

September 30, 2024

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 Semi-annual Securities Report: October 15, 2024
 Scheduled date to commence dividend payments: November 13, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended August 31, 2024 (from March 1, 2024 to August 31, 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	%
Six months ended August 31, 2024	21,694	(6.1)	1,117	(12.7)	1,171	(13.6)	798	(12.8)
Six months ended August 31, 2023	23,111	–	1,280	–	1,355	–	915	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended August 31, 2024	64.19		62.32	
Six months ended August 31, 2023	73.27		71.69	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2024	31,570	18,802	58.3
As of February 29, 2024	27,713	18,254	64.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended February 29, 2024	–	0.00	–	24.00	24.00
Year ending February 28, 2025	–	12.00	–	–	–
Year ending February 28, 2025 (Forecast)	–	–	–	12.00	24.00

3. Forecast of consolidated financial results for the year ending February 28, 2025 (from March 1, 2024 to February 28, 2025)

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	43,500	1.1	1,700	1.9	1,780	0.5	1,200	2.1	96.49

4. Notes

- (1) Significant changes in the scope of consolidation during the six months ended August 31, 2024: Yes
- (2) Application of special accounting methods for preparing interim 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 August 31, 2024	12,858,430 shares	As of February 29, 2024	12,858,430 shares
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Number of treasury shares at the end of the period

As of August 31, 2024	421,400 shares	As of February 29, 2024	421,400 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended August 31, 2024	12,437,030 shares	Six months ended August 31, 2023	12,493,127 shares
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Interim consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 29, 2024	As of August 31, 2024
Assets		
Current assets		
Cash and deposits	7,754	8,322
Notes and accounts receivable - trade	4,119	5,738
Merchandise and finished goods	380	447
Work in process	66	82
Raw materials and supplies	216	274
Other	85	53
Total current assets	12,622	14,917
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,691	4,796
Machinery, equipment and vehicles, net	1,564	1,439
Land	6,527	6,523
Leased assets, net	32	45
Construction in progress	478	2,105
Other, net	143	126
Total property, plant and equipment	13,436	15,037
Intangible assets		
Goodwill	206	156
Other	120	100
Total intangible assets	326	256
Investments and other assets		
Investment securities	677	714
Deferred tax assets	571	565
Other	78	78
Total investments and other assets	1,327	1,358
Total non-current assets	15,091	16,652
Total assets	27,713	31,570

(Millions of yen)

	As of February 29, 2024	As of August 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	2,892	4,157
Short-term borrowings	1,100	1,000
Current portion of long-term borrowings	400	1,543
Lease liabilities	5	5
Income taxes payable	449	362
Provision for bonuses	163	153
Provision for bonuses for directors (and other officers)	19	–
Other	1,636	3,438
Total current liabilities	6,668	10,661
Non-current liabilities		
Long-term borrowings	1,628	914
Lease liabilities	6	22
Deferred tax liabilities	17	18
Retirement benefit liability	818	836
Other	321	314
Total non-current liabilities	2,791	2,105
Total liabilities	9,459	12,767
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	2,803	2,803
Retained earnings	15,315	15,815
Treasury shares	(499)	(499)
Total shareholders' equity	17,719	18,219
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	172	181
Remeasurements of defined benefit plans	(2)	(1)
Total accumulated other comprehensive income	170	179
Share acquisition rights	352	392
Non-controlling interests	11	11
Total net assets	18,254	18,802
Total liabilities and net assets	27,713	31,570

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended August 31, 2023	Six months ended August 31, 2024
Net sales	23,111	21,694
Cost of sales	18,316	17,074
Gross profit	4,795	4,620
Selling, general and administrative expenses	3,515	3,502
Operating profit	1,280	1,117
Non-operating income		
Interest income	0	0
Dividend income	4	4
Amortization of negative goodwill	18	–
Share of profit of entities accounted for using equity method	15	20
Rental income	16	16
Surplus distributed in accordance with the amount of use of businesses	8	7
Other	23	18
Total non-operating income	87	68
Non-operating expenses		
Interest expenses	2	4
Rental expenses	8	9
Other	0	0
Total non-operating expenses	12	14
Ordinary profit	1,355	1,171
Extraordinary income		
Gain on sale of non-current assets	6	–
Gain on reversal of asset retirement obligations	–	4
Subsidy income	0	0
Compensation income	10	–
Total extraordinary income	17	4
Extraordinary losses		
Loss on disposal of non-current assets	0	45
Total extraordinary losses	0	45
Profit before income taxes	1,372	1,130
Income taxes	456	332
Profit	915	797
Profit (loss) attributable to non-controlling interests	0	(0)
Profit attributable to owners of parent	915	798

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended August 31, 2023	Six months ended August 31, 2024
Profit	915	797
Other comprehensive income		
Valuation difference on available-for-sale securities	8	8
Remeasurements of defined benefit plans, net of tax	–	0
Total other comprehensive income	8	8
Comprehensive income	923	806
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	923	806
Comprehensive income attributable to non-controlling interests	0	(0)