

April 14, 2025

Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Under Japanese GAAP)

Company name: PICKLES HOLDINGS CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 2935
 URL: <https://www.pickles-hd.co.jp>
 Representative: Naoji Kageyama, President and Representative Director
 Inquiries: Toru Mishina, Managing Director and General Manager, Accounting and Finance Division
 Telephone: +81-4-2931-0777
 Scheduled date of annual general meeting of shareholders: May 28, 2025
 Scheduled date to commence dividend payments: May 12, 2025
 Scheduled date to file annual securities report: May 28, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	41,518	(3.5)	1,279	(23.3)	1,345	(24.1)	958	(18.4)
February 29, 2024	43,028	4.8	1,668	8.4	1,771	7.3	1,175	3.2

Note: Comprehensive income For the fiscal year ended February 28, 2025: ¥992 million [(17.5)%]
 For the fiscal year ended February 29, 2024: ¥1,202 million [3.3%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
February 28, 2025	77.09	74.66	5.3	4.6	3.1
February 29, 2024	94.29	91.98	6.7	6.6	3.9

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended February 28, 2025: ¥13 million
 For the fiscal year ended February 29, 2024: ¥7 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2025	30,242	18,884	61.0	1,482.42
February 29, 2024	27,713	18,254	64.6	1,438.45

Reference: Equity
 As of February 28, 2025: ¥18,436 million
 As of February 29, 2024: ¥17,890 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2025	831	(4,693)	1,082	4,974
February 29, 2024	2,718	(950)	45	7,754

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended February 29, 2024	-	0.00	-	24.00	24.00	298	25.5	1.7
Fiscal year ended February 28, 2025	-	12.00	-	14.00	26.00	323	33.7	1.8
Fiscal year ending February 28, 2026 (Forecast)		13.00		14.00	27.00		33.9	

3. Forecast of consolidated financial results for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(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
Six months ending August 31, 2025	21,354	(1.6)	930	(16.8)	954	(18.5)	630	(21.1)	50.71
Fiscal year ending February 28, 2026	41,000	(1.2)	1,500	17.3	1,532	13.9	990	3.3	79.60

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
Excluded: 2 companies (Obanazawa Foods Co., Ltd., Pickles Corporation Sapporo)
- (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 other reasons: 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 February 28, 2025	12,858,430 shares
As of February 29, 2024	12,858,430 shares

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

As of February 28, 2025	421,400 shares
As of February 29, 2024	421,400 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended February 28, 2025	12,437,030 shares
Fiscal year ended February 29, 2024	12,465,232 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to “(4) Future outlook” of “1. Overview of Operating Results and Others” on page 4 of the attached materials for the conditions that form the assumptions for the forecasts of financial results and cautions concerning the use thereof.

Consolidated balance sheet

(Millions of yen)

	As of February 29, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	7,754	4,974
Notes and accounts receivable - trade	4,119	4,083
Merchandise and finished goods	380	330
Work in process	66	77
Raw materials and supplies	216	318
Other	85	1,104
Total current assets	12,622	10,888
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,691	8,134
Machinery, equipment and vehicles, net	1,564	2,966
Land	6,527	6,527
Leased assets, net	32	45
Construction in progress	478	-
Other, net	143	115
Total property, plant and equipment	13,436	17,788
Intangible assets		
Goodwill	206	107
Other	120	79
Total intangible assets	326	186
Investments and other assets		
Investment securities	677	726
Deferred tax assets	571	586
Other	78	65
Total investments and other assets	1,327	1,378
Total non-current assets	15,091	19,353
Total assets	27,713	30,242

	As of February 29, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	2,892	2,974
Short-term borrowings	1,100	1,000
Current portion of long-term borrowings	400	1,666
Lease liabilities	5	6
Income taxes payable	449	163
Provision for bonuses	163	149
Provision for bonuses for directors (and other officers)	19	16
Other	1,636	2,042
Total current liabilities	6,668	8,019
Non-current liabilities		
Long-term borrowings	1,628	2,152
Lease liabilities	6	24
Deferred tax liabilities	17	15
Retirement benefit liability	818	836
Other	321	310
Total non-current liabilities	2,791	3,339
Total liabilities	9,459	11,358
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	2,803	2,803
Retained earnings	15,315	15,826
Treasury shares	(499)	(499)
Total shareholders' equity	17,719	18,230
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	172	191
Remeasurements of defined benefit plans	(2)	14
Total accumulated other comprehensive income	170	206
Share acquisition rights	352	426
Non-controlling interests	11	21
Total net assets	18,254	18,884
Total liabilities and net assets	27,713	30,242

Consolidated statement of income

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Net sales	43,028	41,518
Cost of sales	34,390	33,325
Gross profit	8,637	8,193
Selling, general and administrative expenses	6,969	6,913
Operating profit	1,668	1,279
Non-operating income		
Interest income	0	2
Dividend income	9	10
Amortization of negative goodwill	21	-
Share of profit of entities accounted for using equity method	7	13
Rental income	33	35
Surplus distributed in accordance with the amount of use of businesses	8	7
Consumption tax difference	15	-
Other	32	33
Total non-operating income	128	102
Non-operating expenses		
Interest expenses	6	13
Rental expenses	17	22
Other	0	0
Total non-operating expenses	24	36
Ordinary profit	1,771	1,345
Extraordinary income		
Gain on sale of non-current assets	6	-
Gain on reversal of asset retirement obligations	-	4
Subsidy income	2	5
Compensation income	10	-
Total extraordinary income	19	9
Extraordinary losses		
Loss on disposal of non-current assets	13	49
Total extraordinary losses	13	49
Profit before income taxes	1,777	1,305
Income taxes - current	669	381
Income taxes - deferred	(66)	(32)
Total income taxes	602	349
Profit	1,175	956
Loss attributable to non-controlling interests	(0)	(2)
Profit attributable to owners of parent	1,175	958

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Profit	1,175	956
Other comprehensive income		
Valuation difference on available-for-sale securities	30	19
Remeasurements of defined benefit plans, net of tax	(2)	16
Total other comprehensive income	27	35
Comprehensive income	1,202	992
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,203	994
Comprehensive income attributable to non-controlling interests	(0)	(2)

Consolidated statement of changes in equity

Fiscal year ended February 29, 2024

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at beginning of period	100	2,803	14,417	(324)	16,995	142	-	142
Dividends of surplus			(276)		(276)			
Profit attributable to owners of parent			1,175		1,175			
Purchase of treasury shares				(174)	(174)			
Net changes in items other than shareholders' equity						30	(2)	27
Total changes during period	-	-	898	(174)	723	30	(2)	27
Balance at end of period	100	2,803	15,315	(499)	17,719	172	(2)	170

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	265	0	17,404
Dividends of surplus			(276)
Profit attributable to owners of parent			1,175
Purchase of treasury shares			(174)
Net changes in items other than shareholders' equity	87	11	126
Total changes during period	87	11	850
Balance at end of period	352	11	18,254

Consolidated statement of changes in equity

Fiscal year ended February 28, 2025

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at beginning of period	100	2,803	15,315	(499)	17,719	172	(2)	170
Dividends of surplus			(447)		(447)			
Profit attributable to owners of parent			958		958			
Purchase of treasury shares					-			
Net changes in items other than shareholders' equity						19	16	35
Total changes during period	-	-	511	-	511	19	16	35
Balance at end of period	100	2,803	15,826	(499)	18,230	191	14	206

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	352	11	18,254
Dividends of surplus			(447)
Profit attributable to owners of parent			958
Purchase of treasury shares			-
Net changes in items other than shareholders' equity	74	9	119
Total changes during period	74	9	630
Balance at end of period	426	21	18,884

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from operating activities		
Profit before income taxes	1,777	1,305
Depreciation	940	1,005
Loss (gain) on disposal of non-current assets	13	49
Loss (gain) on sale of non-current assets	(6)	-
Gain on reversal of asset retirement obligations	-	(4)
Subsidy income	(2)	(5)
Compensation income	(10)	-
Amortization of goodwill	98	98
Increase (decrease) in provision for bonuses	(7)	(13)
Increase (decrease) in provision for bonuses for directors (and other officers)	2	(3)
Increase (decrease) in retirement benefit liability	52	42
Amortization of negative goodwill	(21)	-
Share of loss (profit) of entities accounted for using equity method	(7)	(13)
Interest and dividend income	(9)	(13)
Interest expenses	6	13
Decrease (increase) in trade receivables	132	36
Decrease (increase) in inventories	10	(63)
Increase (decrease) in trade payables	(29)	81
Decrease (increase) in accounts receivable - other	223	(582)
Other, net	(17)	(444)
Subtotal	3,144	1,488
Interest and dividends received	11	15
Interest paid	(6)	(11)
Income taxes paid	(440)	(667)
Subsidies received	2	3
Proceeds from compensation	7	3
Net cash provided by (used in) operating activities	2,718	831

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(935)	(4,694)
Proceeds from sale of property, plant and equipment	12	8
Purchase of intangible assets	(15)	(6)
Payments for asset retirement obligations	-	(6)
Purchase of investment securities	(11)	(10)
Proceeds from sale of investment securities	-	0
Subsidies received	-	1
Other, net	(0)	13
Net cash provided by (used in) investing activities	(950)	(4,693)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(200)	(100)
Proceeds from long-term borrowings	1,500	2,190
Repayments of long-term borrowings	(806)	(400)
Repayments of lease liabilities	(8)	(8)
Repayments of installment payables	-	(163)
Purchase of treasury shares	(174)	-
Proceeds from share issuance to non-controlling shareholders	12	12
Dividends paid	(276)	(446)
Other, net	(0)	-
Net cash provided by (used in) financing activities	45	1,082
Net increase (decrease) in cash and cash equivalents	1,813	(2,780)
Cash and cash equivalents at beginning of period	5,940	7,754
Cash and cash equivalents at end of period	7,754	4,974

(Notes on segment information, etc.)

Segment Information

The previous fiscal year (March 1, 2023 to February 29, 2024)

Since the Group is a single segment of the pickle manufacturing and sales business, the description is omitted.

The current fiscal year (March 1, 2024 to February 28, 2025)

Since the Group is a single segment of the pickle manufacturing and sales business, the description is omitted.