

Translation

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

October 11, 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 commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended August 31, 2024 (from June 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	%
Three months ended August 31, 2024	3,082	(3.9)	(1,053)	–	(1,005)	–	(869)	–
Three months ended August 31, 2023	3,207	(12.1)	(952)	–	(893)	–	(656)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended August 31, 2024	(55.43)	–
Three months ended August 31, 2023	(41.97)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2024	37,638	30,724	81.6
As of May 31, 2024	41,423	32,592	78.7

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, 2024	–	0.00	–	55.00	55.00
Year ending May 31, 2025	–				
Year ending May 31, 2025 (Forecast)		25.00	–	40.00	65.00

3. Forecast of consolidated financial results for the year ending May 31, 2025 (from June 1, 2024 to May 31, 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	38,500	3.5	4,850	11.5	4,950	7.7	3,350	10.5	213.90

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended August 31, 2024: Yes
- (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: Yes
- 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	16,078,920 shares	As of May 31, 2024	16,078,920 shares
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Number of treasury shares at the end of the period

As of August 31, 2024	398,869 shares	As of May 31, 2024	398,869 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended August 31, 2024	15,680,051 shares	Three months ended August 31, 2023	15,629,478 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of May 31, 2024	As of August 31, 2024
Assets		
Current assets		
Cash and deposits	19,186	13,871
Accounts receivable - trade, and contract assets	4,847	2,831
Inventories	2,924	5,794
Other	1,202	1,664
Allowance for doubtful accounts	(8)	(8)
Total current assets	28,151	24,152
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,668	2,828
Land	2,333	2,333
Other, net	770	693
Total property, plant and equipment	5,772	5,855
Intangible assets		
Goodwill	621	662
Other	1,510	1,426
Total intangible assets	2,131	2,089
Investments and other assets		
Investment securities	3,161	2,939
Investment property, net	424	422
Deferred tax assets	226	483
Retirement benefit asset	143	257
Other	1,500	1,527
Allowance for doubtful accounts	(88)	(89)
Total investments and other assets	5,368	5,541
Total non-current assets	13,271	13,485
Total assets	41,423	37,638

(Millions of yen)

	As of May 31, 2024	As of August 31, 2024
Liabilities		
Current liabilities		
Accounts payable - operating	891	377
Current portion of long-term borrowings	111	77
Income taxes payable	992	76
Contract liabilities	2,282	2,743
Provision for bonuses	–	716
Provision for bonuses for directors (and other officers)	28	–
Provision for loss on orders received	265	261
Provision for loss on guarantees	–	3
Other	3,514	1,934
Total current liabilities	8,084	6,190
Non-current liabilities		
Long-term borrowings	17	15
Deferred tax liabilities	238	99
Retirement benefit liability	62	176
Provision for share awards for directors (and other officers)	119	124
Provision for Employee Stock Ownership Plan Trust	39	41
Long-term accounts payable - other	176	176
Provision for loss on guarantees	3	–
Other	89	89
Total non-current liabilities	746	724
Total liabilities	8,831	6,914
Net assets		
Shareholders' equity		
Share capital	2,803	2,803
Capital surplus	4,379	4,379
Retained earnings	24,600	22,811
Treasury shares	(403)	(403)
Total shareholders' equity	31,379	29,590
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	932	861
Foreign currency translation adjustment	(7)	(3)
Remeasurements of defined benefit plans	279	268
Total accumulated other comprehensive income	1,204	1,126
Non-controlling interests	8	7
Total net assets	32,592	30,724
Total liabilities and net assets	41,423	37,638

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended August 31, 2023	Three months ended August 31, 2024
Net sales	3,207	3,082
Cost of sales	2,155	2,136
Gross profit	1,052	945
Selling, general and administrative expenses	2,004	1,999
Operating loss	(952)	(1,053)
Non-operating income		
Interest income	3	1
Dividend income	15	15
Share of profit of entities accounted for using equity method	30	31
Rental income from real estate	10	11
Other	9	8
Total non-operating income	70	69
Non-operating expenses		
Interest expenses	0	0
Rental expenses on real estate	6	6
Guarantee commission	3	3
Foreign exchange losses	–	10
Other	1	0
Total non-operating expenses	11	21
Ordinary loss	(893)	(1,005)
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Office relocation expenses	–	180
Total extraordinary losses	–	180
Loss before income taxes	(893)	(1,186)
Income taxes - current	72	45
Income taxes - deferred	(309)	(362)
Total income taxes	(237)	(317)
Loss	(656)	(869)
Loss attributable to owners of parent	(656)	(869)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended August 31, 2023	Three months ended August 31, 2024
Loss	(656)	(869)
Other comprehensive income		
Valuation difference on available-for-sale securities	134	(71)
Foreign currency translation adjustment	3	2
Remeasurements of defined benefit plans, net of tax	(5)	(10)
Total other comprehensive income	131	(79)
Comprehensive income	(524)	(948)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(524)	(946)
Comprehensive income attributable to non-controlling interests	0	(1)