

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended February 28, 2023 (Based on Japanese GAAP)

April 13, 2023

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 14, 2023  
 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 28, 2023 (from June 1, 2022 to February 28, 2023)

(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 28, 2023	16,226	8.3	(687)	–	(534)	–	(533)	–
Nine months ended February 28, 2022	14,980	–	(217)	–	(80)	–	(185)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended February 28, 2023	(34.14)		–	
Nine months ended February 28, 2022	(11.70)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 28, 2023	39,726	26,341	66.3
As of May 31, 2022	39,240	27,544	70.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended May 31, 2022	–	0.00	–	43.00	43.00
Year ending May 31, 2023	–	0.00	–		
Year ending May 31, 2023 (Forecast)				50.00	50.00

3. Forecast of consolidated financial results for the year ending May 31, 2023 (from June 1, 2022 to May 31, 2023)

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	37,000	0.9	4,600	2.4	4,800	2.0	3,200	2.5	204.81

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended February 28, 2023  
(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: 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 February 28, 2023	16,078,920 shares	As of May 31, 2022	16,078,920 shares
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Number of treasury shares at the end of the period

As of February 28, 2023	449,402 shares	As of May 31, 2022	463,740 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended February 28, 2023	15,622,797 shares	Nine months ended February 28, 2022	15,866,516 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of May 31, 2022	As of February 28, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	18,090	9,892
Accounts receivable - trade, and contract assets	5,241	5,877
Securities	–	101
Inventories	3,613	8,894
Other	744	2,152
Allowance for doubtful accounts	(6)	(6)
Total current assets	27,683	26,910
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,372	2,539
Land	2,335	2,335
Other, net	586	728
Total property, plant and equipment	5,294	5,603
Intangible assets		
Goodwill	862	771
Other	323	930
Total intangible assets	1,186	1,702
Investments and other assets		
Investment securities	2,946	2,981
Bad debts	0	1
Investment property, net	435	435
Deferred tax assets	504	882
Retirement benefit asset	83	71
Other	1,217	1,253
Allowance for doubtful accounts	(112)	(112)
Total investments and other assets	5,075	5,510
Total non-current assets	11,556	12,815
Total assets	39,240	39,726

(Millions of yen)

	As of May 31, 2022	As of February 28, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - operating	1,090	1,218
Short-term borrowings	–	5,300
Current portion of long-term borrowings	213	229
Income taxes payable	1,111	71
Contract liabilities	3,692	3,431
Provision for bonuses	–	808
Provision for bonuses for directors (and other officers)	26	–
Provision for loss on orders received	264	298
Other	4,149	1,027
<b>Total current liabilities</b>	<b>10,549</b>	<b>12,387</b>
<b>Non-current liabilities</b>		
Long-term borrowings	358	181
Deferred tax liabilities	55	67
Retirement benefit liability	384	344
Provision for share awards for directors (and other officers)	78	106
Provision for Employee Stock Ownership Plan Trust	31	33
Long-term accounts payable - other	176	176
Provision for loss on guarantees	10	7
Other	52	80
<b>Total non-current liabilities</b>	<b>1,146</b>	<b>997</b>
<b>Total liabilities</b>	<b>11,696</b>	<b>13,384</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,803	2,803
Capital surplus	4,379	4,379
Retained earnings	20,050	18,825
Treasury shares	(467)	(454)
<b>Total shareholders' equity</b>	<b>26,765</b>	<b>25,553</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	612	656
Foreign currency translation adjustment	(0)	0
Remeasurements of defined benefit plans	160	121
<b>Total accumulated other comprehensive income</b>	<b>771</b>	<b>778</b>
<b>Non-controlling interests</b>	<b>7</b>	<b>9</b>
<b>Total net assets</b>	<b>27,544</b>	<b>26,341</b>
<b>Total liabilities and net assets</b>	<b>39,240</b>	<b>39,726</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, 2022	Nine months ended February 28, 2023
Net sales	14,980	16,226
Cost of sales	9,907	11,259
Gross profit	5,073	4,967
Selling, general and administrative expenses	5,291	5,654
Operating loss	(217)	(687)
Non-operating income		
Interest income	10	11
Dividend income	29	30
Share of profit of entities accounted for using equity method	66	91
Rental income from real estate	24	27
Other	59	40
Total non-operating income	190	202
Non-operating expenses		
Interest expenses	7	7
Rental expenses on real estate	16	17
Guarantee commission	6	7
Provision of allowance for doubtful accounts	2	6
Settlement payments	10	–
Other	10	10
Total non-operating expenses	53	50
Ordinary loss	(80)	(534)
Extraordinary losses		
Loss on retirement of non-current assets	1	25
Office relocation expenses	–	6
Total extraordinary losses	1	31
Loss before income taxes	(82)	(566)
Income taxes - current	356	318
Income taxes - deferred	(252)	(354)
Total income taxes	103	(35)
Loss	(185)	(530)
Profit attributable to non-controlling interests	–	2
Loss attributable to owners of parent	(185)	(533)

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

(Millions of yen)

	Nine months ended February 28, 2022	Nine months ended February 28, 2023
Loss	(185)	(530)
Other comprehensive income		
Valuation difference on available-for-sale securities	12	43
Foreign currency translation adjustment	(0)	1
Remeasurements of defined benefit plans, net of tax	(32)	(39)
Total other comprehensive income	(20)	6
Comprehensive income	(205)	(524)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(206)	(527)
Comprehensive income attributable to non-controlling interests	0	2