

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended November 30, 2023
(Based on Japanese GAAP)**

January 9, 2024

Company name: HIMARAYA Co.,Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 7514 URL <https://www.hmry.jp/>
 Representative: President and CEO Manabu Oda
 Inquiries: General Manager of Administration and CFO Nobuaki Mitsui TEL 058-271-6622
 Scheduled date to file Quarterly Securities Report: January 12, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended November 30, 2023 (from September 1, 2023 to November 30, 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 | % |
| Three months ended November 30, 2023 | 13,475 | (0.6) | (64) | – | (17) | – | 52 | (82.5) |
| Three months ended November 30, 2022 | 13,557 | 2.5 | 367 | (22.7) | 397 | (27.5) | 298 | (11.9) |

| | Earnings per share | Diluted earnings per share |
|--------------------------------------|--------------------|----------------------------|
| | Yen | Yen |
| Three months ended November 30, 2023 | 4.26 | – |
| Three months ended November 30, 2022 | 24.36 | – |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of November 30, 2023 | 41,920 | 16,429 | 39.2 |
| As of August 31, 2023 | 35,540 | 16,590 | 46.7 |

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 August 31, 2023 | – | 13.00 | – | 13.00 | 26.00 |
| Year ending August 31, 2024 | – | | | | |
| Year ending August 31, 2024 (Forecast) | | 13.00 | – | 13.00 | 26.00 |

(Note) Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending August 31, 2024 (from September 1, 2023 to August 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 |
| Six months ending February 29, 2024 | 27,800 | (5.5) | 100 | (90.2) | 200 | (81.5) | 130 | (84.4) | 10.58 |
| Full year | 61,140 | 1.6 | 1,200 | 23.9 | 1,400 | 24.4 | 780 | 32.4 | 63.48 |

(Note) Revisions to recent business forecast: No

4. Notes

(1) Changes in significant subsidiaries during the three months ended November 30, 2023

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Adoption of accounting treatment specific to the preparation of 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: 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 November 30, 2023 | 12,320,787 shares | As of August 31, 2023 | 12,320,787 shares |
|-------------------------|-------------------|-----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|-------------------------|---------------|-----------------------|---------------|
| As of November 30, 2023 | 35,903 shares | As of August 31, 2023 | 33,793 shares |
|-------------------------|---------------|-----------------------|---------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | | | |
|--------------------------------------|-------------------|--------------------------------------|-------------------|
| Three months ended November 30, 2023 | 12,286,291 shares | Three months ended November 30, 2022 | 12,255,604 shares |
|--------------------------------------|-------------------|--------------------------------------|-------------------|

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

| | As of August 31, 2023 | As of November 30, 2023 |
|-------------------------------------|-----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 4,396 | 4,940 |
| Accounts receivable - trade | 1,736 | 2,728 |
| Merchandise | 15,767 | 20,155 |
| Supplies | 25 | 13 |
| Other | 923 | 1,230 |
| Total current assets | 22,849 | 29,069 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 4,716 | 4,738 |
| Land | 1,388 | 1,388 |
| Leased assets | 4 | 3 |
| Construction in progress | 19 | 3 |
| Other, net | 764 | 803 |
| Total property, plant and equipment | 6,893 | 6,938 |
| Intangible assets | | |
| Software | 444 | 465 |
| Other | 47 | 27 |
| Total intangible assets | 492 | 492 |
| Investments and other assets | | |
| Investment securities | 1,121 | 1,100 |
| Long-term loans receivable | 389 | 375 |
| Guarantee deposits | 3,021 | 3,051 |
| Deferred tax assets | 116 | 260 |
| Retirement benefit asset | 481 | 485 |
| Other | 188 | 159 |
| Allowance for doubtful accounts | (13) | (13) |
| Total investments and other assets | 5,305 | 5,419 |
| Total non-current assets | 12,691 | 12,850 |
| Total assets | 35,540 | 41,920 |

(Millions of yen)

| | As of August 31, 2023 | As of November 30, 2023 |
|---|-----------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 10,036 | 15,704 |
| Short-term borrowings | — | 2,000 |
| Current portion of long-term borrowings | 2,511 | 2,403 |
| Lease liabilities | 1 | 1 |
| Income taxes payable | 125 | 57 |
| Contract liabilities | 154 | 227 |
| Provision for bonuses | 340 | 484 |
| Provision for loss on store closings | 8 | 8 |
| Other provisions | 52 | 25 |
| Asset retirement obligations | 4 | 18 |
| Other | 1,354 | 1,331 |
| Total current liabilities | 14,588 | 22,262 |
| Non-current liabilities | | |
| Long-term borrowings | 3,022 | 2,104 |
| Lease liabilities | 3 | 3 |
| Deferred tax liabilities | — | 22 |
| Asset retirement obligations | 931 | 931 |
| Other | 403 | 167 |
| Total non-current liabilities | 4,361 | 3,228 |
| Total liabilities | 18,950 | 25,491 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,544 | 2,544 |
| Capital surplus | 3,998 | 3,998 |
| Retained earnings | 9,847 | 9,717 |
| Treasury shares | (34) | (34) |
| Total shareholders' equity | 16,356 | 16,226 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1 | (13) |
| Deferred gains or losses on hedges | — | (0) |
| Remeasurements of defined benefit plans | 232 | 216 |
| Total accumulated other comprehensive income | 234 | 203 |
| Total net assets | 16,590 | 16,429 |
| Total liabilities and net assets | 35,540 | 41,920 |

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

Consolidated statements of income (cumulative)

(Millions of yen)

| | Three months ended November 30, 2022 | Three months ended November 30, 2023 |
|--|---|---|
| Net sales | 13,557 | 13,475 |
| Cost of sales | 8,521 | 8,725 |
| Gross profit | 5,035 | 4,749 |
| Selling, general and administrative expenses | 4,668 | 4,814 |
| Operating profit (loss) | 367 | (64) |
| Non-operating income | | |
| Interest income | 1 | 1 |
| Dividend income | 2 | 2 |
| Purchase discounts | 3 | 2 |
| Rental income | 32 | 31 |
| Sponsorship money income | 10 | 10 |
| Subsidy income | 3 | — |
| Other | 16 | 40 |
| Total non-operating income | 69 | 89 |
| Non-operating expenses | | |
| Interest expenses | 5 | 4 |
| Rental expenses on real estate | 31 | 31 |
| Other | 2 | 7 |
| Total non-operating expenses | 39 | 42 |
| Ordinary profit (loss) | 397 | (17) |
| Extraordinary income | | |
| Gain on sale of investment securities | 15 | — |
| Total extraordinary income | 15 | — |
| Extraordinary losses | | |
| Impairment losses | — | 15 |
| Loss on valuation of investment securities | 1 | — |
| Loss on cancellation of insurance policies | 8 | — |
| Total extraordinary losses | 9 | 15 |
| Profit (loss) before income taxes | 402 | (33) |
| Income taxes - current | 149 | 23 |
| Income taxes - deferred | (44) | (108) |
| Total income taxes | 104 | (85) |
| Profit | 298 | 52 |
| Profit attributable to owners of parent | 298 | 52 |

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

| | Three months ended November 30, 2022 | Three months ended November 30, 2023 |
|--|---|---|
| Profit | 298 | 52 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 36 | (14) |
| Deferred gains or losses on hedges | (5) | (0) |
| Remeasurements of defined benefit plans, net of tax | (20) | (15) |
| Total other comprehensive income | 11 | (31) |
| Comprehensive income | 309 | 21 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 309 | 21 |
| Comprehensive income attributable to non-controlling interests | — | — |