

Translation

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

October 4, 2024

Company name: KANEKO SEEDS CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 1376 URL <https://www.kanekoseeds.jp>  
 Representative: PRESIDENT MASAHIKO KANEKO  
 Inquiries: SENIOR MANAGING DIRECTOR HEAD HIROKATSU HASE TEL 027-251-1619  
 OF GENERAL ADMINISTRATION  
 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	14,832	8.1	131	(48.9)	192	(37.8)	106	(49.0)
Three months ended August 31, 2023	13,727	(5.8)	258	(11.4)	309	(9.1)	208	(7.5)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended August 31, 2024	9.41		–	
Three months ended August 31, 2023	18.18		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2024	44,844	24,233	54.0	2,162.79
As of May 31, 2024	48,682	24,441	50.2	2,163.02

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, 2024	–	11.00	–	22.00	33.00
Year ending May 31, 2025	–	–	–	–	–
Year ending May 31, 2025 (Forecast)	–	11.00	–	22.00	33.00

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
Six months ending November 30, 2024	–	–	–	–	–	–	–	–	–
Full year	63,500	3.1	1,650	11.6	1,750	11.4	1,200	1.9	106.20

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended August 31, 2024: No
- (2) Application of special accounting methods for preparing quarterly 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: 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	11,772,626 shares	As of May 31, 2024	11,772,626 shares
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Number of treasury shares at the end of the period

As of August 31, 2024	567,900 shares	As of May 31, 2024	472,890 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	11,275,981 shares	Three months ended August 31, 2023	11,449,759 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of May 31, 2024	As of August 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	3,599,397	2,025,683
Notes and accounts receivable - trade	20,070,658	16,804,169
Electronically recorded monetary claims - operating	1,754,644	2,284,079
Merchandise	10,418,295	9,915,381
Accounts receivable - other	2,199,467	2,979,757
Other	391,370	490,357
Allowance for doubtful accounts	(21,984)	(18,993)
Total current assets	38,411,849	34,480,435
Non-current assets		
Property, plant and equipment		
Land	4,231,587	4,231,587
Other, net	2,857,705	2,923,707
Total property, plant and equipment	7,089,293	7,155,294
Intangible assets	609,003	558,540
Investments and other assets		
Other	2,596,546	2,674,173
Allowance for doubtful accounts	(24,170)	(24,178)
Total investments and other assets	2,572,376	2,649,995
Total non-current assets	10,270,673	10,363,830
Total assets	48,682,522	44,844,265
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	21,071,489	14,641,286
Short-term borrowings	–	3,020,000
Income taxes payable	121,142	65,759
Other	1,905,509	1,720,325
Total current liabilities	23,098,142	19,447,371
Non-current liabilities		
Retirement benefit liability	749,268	734,830
Provision for share awards for directors (and other officers)	82,942	88,642
Other	310,298	339,706
Total non-current liabilities	1,142,509	1,163,179
Total liabilities	24,240,651	20,610,550

(Thousands of yen)

	As of May 31, 2024	As of August 31, 2024
Net assets		
Shareholders' equity		
Share capital	1,491,267	1,491,267
Capital surplus	1,765,224	1,765,224
Retained earnings	20,541,739	20,397,828
Treasury shares	(693,622)	(823,691)
Total shareholders' equity	23,104,608	22,830,628
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	891,253	952,295
Foreign currency translation adjustment	42,611	53,607
Remeasurements of defined benefit plans	403,120	396,892
Total accumulated other comprehensive income	1,336,985	1,402,796
Non-controlling interests	276	290
Total net assets	24,441,871	24,233,715
Total liabilities and net assets	48,682,522	44,844,265

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended August 31, 2023	Three months ended August 31, 2024
Net sales	13,727,579	14,832,720
Cost of sales	11,481,798	12,652,777
Gross profit	2,245,781	2,179,942
Selling, general and administrative expenses	1,987,733	2,048,167
Operating profit	258,048	131,775
Non-operating income		
Dividend income	37,038	39,657
Rental income from buildings	18,896	19,494
Foreign exchange gains	–	4,406
Other	3,705	4,415
Total non-operating income	59,640	67,973
Non-operating expenses		
Interest expenses	6,098	5,958
Foreign exchange losses	679	–
Other	1,282	1,142
Total non-operating expenses	8,061	7,101
Ordinary profit	309,627	192,647
Extraordinary income		
Gain on sale of investment securities	–	1,374
Total extraordinary income	–	1,374
Extraordinary losses		
Impairment losses	–	35,266
Loss on disposal of non-current assets	6	236
Total extraordinary losses	6	35,503
Profit before income taxes	309,620	158,518
Income taxes	101,422	52,356
Profit	208,198	106,161
Profit attributable to non-controlling interests	9	13
Profit attributable to owners of parent	208,188	106,147

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

(Thousands of yen)

	Three months ended August 31, 2023	Three months ended August 31, 2024
Profit	208,198	106,161
Other comprehensive income		
Valuation difference on available-for-sale securities	6,270	61,041
Foreign currency translation adjustment	26,242	10,996
Remeasurements of defined benefit plans, net of tax	2,956	(6,227)
Total other comprehensive income	35,469	65,810
Comprehensive income	243,667	171,972
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	243,639	171,950
Comprehensive income attributable to non-controlling interests	27	21