

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended November 30, 2024 (Based on Japanese GAAP)

January 14, 2025

Company name: TOUMEI CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 4439 URL <https://www.toumei.co.jp/>
 Representative: CEO Naoto Hibino
 Executive Officer
 Inquiries: Kenji Yamazaki TEL 059(330)2151
 General Manager of Administrative Division
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended November 30, 2024 (from September 1, 2024 to November 30, 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 November 30, 2024 | 6,941 | 28.8 | 785 | 89.9 | 807 | 85.9 | 561 | 121.8 |
| Three months ended November 30, 2023 | 5,388 | 6.2 | 413 | (12.1) | 434 | (12.8) | 253 | (17.1) |

| | Earnings per share | | Diluted earnings per share | |
|--------------------------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Three months ended November 30, 2024 | 37.70 | | 36.94 | |
| Three months ended November 30, 2023 | 17.02 | | 16.70 | |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of November 30, 2024 | 14,243 | 7,994 | 56.1 |
| As of August 31, 2024 | 14,172 | 7,639 | 53.9 |

2. Cash dividends

| | Annual dividends per share | | | | |
|----------------------------------------|----------------------------|-----------------|-----------------|-----------------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
| | Yen | | | | |
| Year ended August 31, 2024 | – | 0.00 | – | 28.00 | 28.00 |
| Year ending August 31, 2025 | – | | | | |
| Year ending August 31, 2025 (Forecast) | | 7.00 | – | 8.00 | 15.00 |

3. Forecast of consolidated financial results for the year ending August 31, 2025 (from September 1, 2024 to August 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 February 28, 2025 | 14,541 | 31.5 | 1,401 | 50.0 | 1,421 | 45.9 | 971 | 62.2 | 65.22 |
| Full year | 29,992 | 25.4 | 2,869 | 24.0 | 2,908 | 21.1 | 2,005 | 29.1 | 134.59 |

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended November 30, 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: 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, 2024 | 14,901,600 shares | As of August 31, 2024 | 14,901,600 shares |
|-------------------------|-------------------|-----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|-------------------------|--------------|-----------------------|--------------|
| As of November 30, 2024 | 1,066 shares | As of August 31, 2024 | 1,066 shares |
|-------------------------|--------------|-----------------------|--------------|

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

| | | | |
|--------------------------------------|-------------------|--------------------------------------|-------------------|
| Three months ended November 30, 2024 | 14,900,534 shares | Three months ended November 30, 2023 | 14,877,134 shares |
|--------------------------------------|-------------------|--------------------------------------|-------------------|

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

| | As of August 31, 2024 | As of November 30, 2024 |
|-------------------------------------------------------|-----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 6,643,047 | 7,063,976 |
| Notes and accounts receivable - trade | 5,253,281 | 4,652,887 |
| Merchandise and finished goods | 22,957 | 47,407 |
| Raw materials and supplies | 122,075 | 186,449 |
| Other | 656,942 | 602,910 |
| Allowance for doubtful accounts | (44,820) | (44,003) |
| Total current assets | 12,653,484 | 12,509,627 |
| Non-current assets | | |
| Property, plant and equipment | 230,056 | 228,877 |
| Intangible assets | 603,870 | 658,830 |
| Investments and other assets | | |
| Investment securities | 23,652 | 25,902 |
| Deferred tax assets | 60,793 | 63,451 |
| Other | 637,879 | 793,941 |
| Allowance for doubtful accounts | (37,136) | (37,136) |
| Total investments and other assets | 685,188 | 846,158 |
| Total non-current assets | 1,519,115 | 1,733,866 |
| Total assets | 14,172,599 | 14,243,494 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 2,949,533 | 2,803,466 |
| Short-term borrowings | 1,200,000 | 1,400,000 |
| Current portion of long-term borrowings | 510,584 | 310,584 |
| Accounts payable - other | 597,723 | 605,109 |
| Income taxes payable | 440,073 | 268,425 |
| Provision for bonuses | 77,356 | 23,208 |
| Other | 350,554 | 428,137 |
| Total current liabilities | 6,125,826 | 5,838,931 |
| Non-current liabilities | | |
| Long-term borrowings | 321,560 | 318,914 |
| Asset retirement obligations | 66,922 | 66,985 |
| Other | 18,964 | 24,562 |
| Total non-current liabilities | 407,447 | 410,462 |
| Total liabilities | 6,533,274 | 6,249,394 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 629,217 | 629,217 |
| Capital surplus | 619,217 | 619,217 |
| Retained earnings | 6,368,276 | 6,721,480 |
| Treasury shares | (663) | (663) |
| Total shareholders' equity | 7,616,048 | 7,969,252 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 16,401 | 17,972 |
| Total accumulated other comprehensive income | 16,401 | 17,972 |
| Share acquisition rights | 6,874 | 6,874 |
| Total net assets | 7,639,325 | 7,994,099 |
| Total liabilities and net assets | 14,172,599 | 14,243,494 |

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

Consolidated statements of income (cumulative)

(Thousands of yen)

| | Three months ended November 30, 2023 | Three months ended November 30, 2024 |
|----------------------------------------------|-----------------------------------------|-----------------------------------------|
| Net sales | 5,388,319 | 6,941,558 |
| Cost of sales | 3,658,710 | 4,640,657 |
| Gross profit | 1,729,609 | 2,300,901 |
| Selling, general and administrative expenses | 1,316,007 | 1,515,344 |
| Operating profit | 413,601 | 785,556 |
| Non-operating income | | |
| Interest income | 404 | 195 |
| Dividend income | – | 234 |
| Gain on settlement of liabilities | 21,618 | 22,461 |
| Other | 1,049 | 3,722 |
| Total non-operating income | 23,072 | 26,614 |
| Non-operating expenses | | |
| Interest expenses | 2,444 | 3,084 |
| Other | 30 | 1,694 |
| Total non-operating expenses | 2,474 | 4,778 |
| Ordinary profit | 434,199 | 807,392 |
| Profit before income taxes | 434,199 | 807,392 |
| Income taxes | 180,946 | 245,580 |
| Profit | 253,252 | 561,811 |
| Profit attributable to owners of parent | 253,252 | 561,811 |

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

| | Three months ended November 30, 2023 | Three months ended November 30, 2024 |
|-------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Profit | 253,252 | 561,811 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (6,533) | 1,570 |
| Total other comprehensive income | (6,533) | 1,570 |
| Comprehensive income | 246,719 | 563,382 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 246,719 | 563,382 |