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Consolidated Financial Results for the Six Months Ended August 31, 2024 [Japanese GAAP]

October 8, 2024

Company name: EAT&HOLDINGS Co.,Ltd
Listing: Tokyo
Securities code: 2882
URL: https://www.eat-and.jp/
Representative: Naoki Fumino Chairman and representative director, CEO
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Scheduled date to file semi-annual securities report: October 11, 2024
Scheduled date to commence dividend payments: November 6, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended August 31, 2024 (March 1, 2024 to August 31, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2024	17,951	1.1	668	7.4	664	4.7	827	128.7
August 31, 2023	17,764	10.3	622	10.4	634	(9.0)	361	6.9

(Note) Comprehensive income: Six months ended August 31, 2024: ¥ 736 million [99.0%]
Six months ended August 31, 2023: ¥ 369 million [7.4%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
August 31, 2024	72.98	72.97
August 31, 2023	34.64	34.37

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
August 31, 2024	29,086	10,883	37.3
February 29, 2024	25,597	10,177	39.6

(Reference) Equity: As of August 31, 2024: ¥ 10,854 million
As of February 29, 2024: ¥ 10,133 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 29, 2024	-	5.00	-	5.00	10.00
Fiscal year ending February 28, 2025	-	7.50			
Fiscal year ending February 28, 2025 (Forecast)			-	8.00	15.50

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending February 28, 2025 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2025(March 1, 2024 to February 28, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	39,100	8.8	1,280	20.8	1,280	19.8	1,400	-	123.49

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

August 31, 2024: 11,344,970 shares

February 29, 2024: 11,331,813 shares

2) Number of treasury shares at the end of the period:

August 31, 2024: 959 shares

February 29, 2024: 959 shares

3) Average number of shares outstanding during the period:

Six months ended August 31, 2024: 11,337,433 shares

Six months ended August 31, 2023: 10,444,367 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of February 29, 2024	As of August 31, 2024
Assets		
Current assets		
Cash and deposits	2,618	2,059
Accounts receivable - trade	5,995	8,021
Merchandise and finished goods	1,166	1,670
Raw materials and supplies	441	540
Other	1,141	912
Total current assets	11,364	13,205
Non-current assets		
Property, plant and equipment		
Buildings, net	5,971	5,998
Land	1,080	1,080
Machinery, equipment and vehicles, net	2,710	3,223
Other, net	2,186	2,962
Total property, plant and equipment	11,949	13,265
Intangible assets		
Other	325	555
Total intangible assets	325	555
Investments and other assets		
Deferred tax assets	851	852
Other	1,115	1,215
Allowance for doubtful accounts	(7)	(7)
Total investments and other assets	1,959	2,060
Total non-current assets	14,233	15,881
Total assets	25,597	29,086

(Millions of yen)

	As of February 29, 2024	As of August 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	2,325	3,421
Short-term borrowings	2,164	2,155
Current portion of long-term borrowings	881	948
Accounts payable - other	2,998	3,645
Income taxes payable	178	639
Provision for bonuses	233	232
Provision for bonuses for directors (and other officers)	47	26
Refund liabilities	992	1,055
Other	1,130	1,288
Total current liabilities	10,953	13,414
Non-current liabilities		
Long-term borrowings	3,137	3,443
Retirement benefit liability	214	216
Other	1,115	1,127
Total non-current liabilities	4,467	4,787
Total liabilities	15,420	18,202
Net assets		
Shareholders' equity		
Share capital	3,159	3,173
Capital surplus	3,089	3,102
Retained earnings	3,867	4,637
Treasury shares	(0)	(0)
Total shareholders' equity	10,115	10,912
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8	7
Foreign currency translation adjustment	15	(61)
Remeasurements of defined benefit plans	(5)	(4)
Total accumulated other comprehensive income	17	(58)
Share acquisition rights	3	2
Non-controlling interests	41	26
Total net assets	10,177	10,883
Total liabilities and net assets	25,597	29,086

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended August 31, 2023	For the six months ended August 31, 2024
Net sales	17,764	17,951
Cost of sales	10,765	10,383
Gross profit	6,998	7,567
Selling, general and administrative expenses	6,376	6,899
Operating profit	622	668
Non-operating income		
Interest income	0	0
Dividend income	0	0
Subsidy income	-	8
Cancellation income	30	6
Other	12	5
Total non-operating income	42	19
Non-operating expenses		
Share acquisition rights issuance costs	12	-
Interest expenses	11	16
Other	6	7
Total non-operating expenses	30	23
Ordinary profit	634	664
Extraordinary income		
Fire insurance recovery gain	-	825
Gain on state subsidy	-	40
Gain on reversal of share acquisition rights	16	0
Total extraordinary income	16	866
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	-	40
Loss on retirement of non-current assets	-	30
Loss on store closings	10	9
Impairment losses	28	0
Total extraordinary losses	38	80
Profit before income taxes	612	1,450
Income taxes	262	643
Profit	349	806
Loss attributable to non-controlling interests	(11)	(20)
Profit attributable to owners of parent	361	827

(Millions of yen)

	For the six months ended August 31, 2023	For the six months ended August 31, 2024
Profit	349	806
Other comprehensive income		
Valuation difference on available-for-sale securities	3	(0)
Foreign currency translation adjustment	16	(70)
Remeasurements of defined benefit plans, net of tax	0	0
Total other comprehensive income	20	(70)
Comprehensive income	369	736
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	379	751
Comprehensive income attributable to non-controlling interests	(9)	(15)

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended August 31, 2023	For the six months ended August 31, 2024
Cash flows from operating activities		
Profit before income taxes	612	1,450
Depreciation	660	636
Impairment losses	28	0
Fire insurance recovery gain	-	(825)
Loss on store closings	10	9
Increase (decrease) in retirement benefit liability	9	2
Increase (decrease) in provision for bonuses	41	(0)
Increase (decrease) in provision for bonuses for directors (and other officers)	(16)	(20)
Increase (decrease) in refund liabilities	(19)	63
Interest and dividend income	(0)	(0)
Interest expenses	11	16
Loss (gain) on sale and retirement of non-current assets	-	30
Decrease (increase) in trade receivables	(219)	(2,007)
Decrease (increase) in inventories	(332)	(597)
Decrease (increase) in prepaid expenses	(177)	(225)
Increase (decrease) in trade payables	299	1,094
Increase (decrease) in accounts payable - other	(60)	670
Increase (decrease) in accrued consumption taxes	(60)	(237)
Increase (decrease) in guarantee deposits received	(21)	18
Increase (decrease) in long-term accounts payable - other	(4)	-
Other, net	134	(50)
Subtotal	896	27
Interest and dividends received	0	0
Interest paid	(10)	(16)
Income taxes paid	(275)	(188)
Income taxes refund	-	127
Consumption taxes refund	199	-
Insurance income on fire	-	1,467
Net cash provided by (used in) operating activities	809	1,418
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,414)	(1,943)
Purchase of intangible assets	(23)	(225)
Purchase of shares of subsidiaries and associates	-	(35)
Proceeds from sale of investment securities	2	-
Payments of guarantee deposits	(16)	(83)
Proceeds from refund of guarantee deposits	26	39
Other, net	0	0
Net cash provided by (used in) investing activities	(1,425)	(2,247)

(Millions of yen)

	For the six months ended August 31, 2023	For the six months ended August 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	350	(53)
Proceeds from long-term borrowings	300	850
Repayments of long-term borrowings	(470)	(476)
Proceeds from issuance of shares	1,253	-
Proceeds from share issuance to non-controlling shareholders	56	-
Dividends paid	(50)	(56)
Repayments of lease liabilities	(4)	(4)
Proceeds from exercise of employee share options	19	-
Proceeds from issuance of share acquisition rights	13	-
Net cash provided by (used in) financing activities	1,466	258
Effect of exchange rate change on cash and cash equivalents	7	11
Net increase (decrease) in cash and cash equivalents	857	(558)
Cash and cash equivalents at beginning of period	1,558	2,618
Cash and cash equivalents at end of period	2,415	2,059